



KJTS GROUP BERHAD

(Registration No. 202201020004 (1465701-T))



**POSITIONED
FOR GROWTH,
POWERED
FOR VALUE**



ANNUAL REPORT

2025

WHAT'S INSIDE

ABOUT THIS REPORT

This annual report provides a comprehensive overview of KJTS Group Berhad ("KJTS" or "the Company") performance, activities, and strategic direction for the financial year ended 31 December 2025 ("FYE 2025"). It offers stakeholders, including shareholders, investors, and the broader business community, a clear and transparent account of the Company's operations, financial results, and corporate governance practices; in alignment with Malaysian Financial Reporting Standards and Bursa Malaysia Securities Berhad ("Bursa Securities") Listing Requirements.

4th

ANNUAL GENERAL MEETING



Venue:

Sime Darby Convention Centre
1A, Jalan Bukit Kiara 1
60000 Kuala Lumpur, Malaysia



Date & Time:

Monday, 15 June 2026
10.00 a.m.

01 CORPORATE OVERVIEW

About Us	04
Corporate Structure	06
Corporate Information	07

02 LEADERSHIP

Board of Directors	10
Directors' Profile	12
Key Senior Management Team Profile	18

03 PERFORMANCE

Q&A with the Chairman	22
Management Discussion and Analysis	26

04 SUSTAINABILITY

Sustainability Statement	34
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POSITIONED FOR GROWTH, POWERED FOR VALUE

The overall radiating sun layout of this design emphasises integrated capabilities as the foundation for future expansion. The upward perspective on the buildings conveys forward momentum, modernity, and optimism about the future (Positioned for Growth), while the placement of machinery, skilled personnel, and sustainable assets within the circle confirms that the power fueling this growth comes from the company's core engineering capabilities, operational excellence, and human capital (Powered for Value). The dynamic, intersecting circular composition represents synergy, holistic value, and continuous progress. The arc segments divide the cover into five key photographic quadrants, each representing a core pillar of the Group's operations and strategy.

05 CORPORATE GOVERNANCE

Corporate Governance Overview Statement	54
Additional Compliance Information	65
Nominating Committee Report	69
Remuneration Committee Report	71
Long-Term Incentive Plan Committee Report	73
Statement on Risk Management and Internal Control	74
Audit and Risk Management Committee Report	79
Statement of Directors' Responsibility	82

06 FINANCIAL STATEMENTS

Directors' Report	84
Statement by Directors	89
Statutory Declaration	89
Independent Auditors' Report to the Members	90
Statements of Financial Position	94
Statements of Profit or Loss and Other Comprehensive Income	96
Statements of Changes in Equity	97
Statements of Cash Flows	100
Notes to the Financial Statements	103

07 OTHER INFORMATION

List of Properties	166
Shareholding Statistics	167
Notice of Fourth Annual General Meeting ("4 th AGM")	169
Statement Accompanying Notice of Annual General Meeting	172
Administration Guide	173
Proxy Form	

FEEDBACK

Feedback, suggestions or enquiries on this report may be sent to: ir@kjts.com.my



ONLINE VERSION

Scan this QR code to view our Annual Report online. Our financial and other information about KJTS can also be found at www.kjts.com.my





DELIVERING CROSS-BORDER VALUE FOR REGIONAL IMPACT

We have secured long-term projects and service agreements across Southeast Asia, extending our operational reach and solidifying revenue streams in key growth markets.

> ANNUAL REPORT 2025

CORPORATE OVERVIEW

- 04** About Us
- 06** Corporate Structure
- 07** Corporate Information



ABOUT US

KJTS Group Berhad and its subsidiaries (“KJTS Group”) provide integrated building support services in Malaysia, Singapore and Thailand. KJTS Group offers a combination of cooling energy services, cleaning services and facilities management services. Our commitment to sustainability drives us to integrate methods into our services that can successfully decrease energy usage and carbon emissions while addressing environmental issues.



Cooling Energy Services

KJTS Group’s cooling energy services focus on delivering sustainable and efficient cooling solutions. We specialise in the supply of chilled water for space cooling, while also ensuring optimised energy usage through our operations and maintenance services. Our expertise extends to the Engineering, Procurement, Construction, and Commissioning (EPCC) of cooling energy systems, focusing on District Cooling Systems (DCS), chiller plants, as well as airside equipment.



Cleaning Services

Our team takes a holistic approach to delivering cleaning services for our clients’ commercial properties. We are committed to providing reliable, long-term cleaning solutions that ensure their properties remain consistently well cared for.



Facilities Management Services

Our team delivers a comprehensive and highly customisable range of facilities management services, which harnesses the use of our technical experience and technological platforms to provide our clients with transparent and cost-effective solutions.



Operational Excellence

KJTS Group is committed to offering the highest quality of service in value-added total energy solutions to our clients.



Mission Statement

To deliver energy-focused, technical management services with long-term, reliable, and guaranteed performance-based solutions that bridge divides across borders and cultures.



Regional Presence

With our roots steadily planted in **MALAYSIA**, KJTS Group has expanded its working operations in **THAILAND** and **SINGAPORE** to continuously embrace reforms from new perspectives, challenging the industry and its status quo.

Cohesiveness

A working machine can best be gauged by its functioning parts. Therefore, we at KJTS Group are committed to the personal and overall development of our employees and subsidiaries. We take into account the necessary measures to nurture their performance and personal growth, cultivating unity and motivation that produces desirable results.

Client Focused

Fulfilling our clients' needs is our top priority. It's what drives us to form strong and lasting relationships. With the combination and utilisation of our technical expertise and technological innovations, we look forward to fostering partnerships to deliver the high-quality service that you, as our client, deserve.

Cultural Diversity

As our world has become a global village, KJTS Group makes it a priority to uphold and respect cultural diversity and boundaries in both the workplace and our projects. We welcome ideas that are unique and celebrate differences, allowing us the ability to serve, function, and integrate seamlessly into the spaces we operate in.

We take into account the necessary measures to nurture their performance and personal growth, cultivating unity and motivation that produces desirable results.

Our Values

Ethics

We are nothing without our integrity, and we take this to heart. KJTS Group works constantly to ensure that we operate with strict compliance to laws, regulations, and standards, both regionally and internationally. We also take privacy, confidentiality, and policies seriously, so your rights, as our client, would always be protected and safe.

Creativity

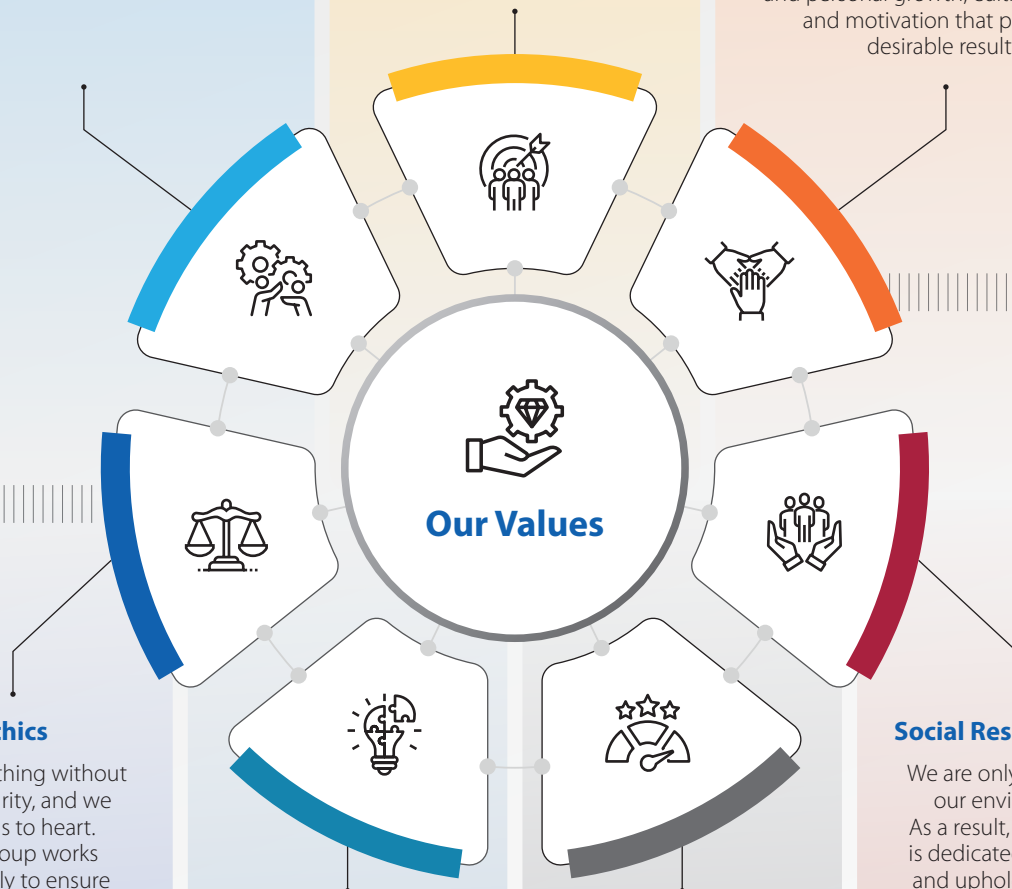
We are always looking for ways to push our boundaries and becoming better at what we do. By encouraging innovation and creativity, we believe each success is only a stepping stone to greater solutions and achievements. KJTS Group does not see absolutes, only platforms.

Performance

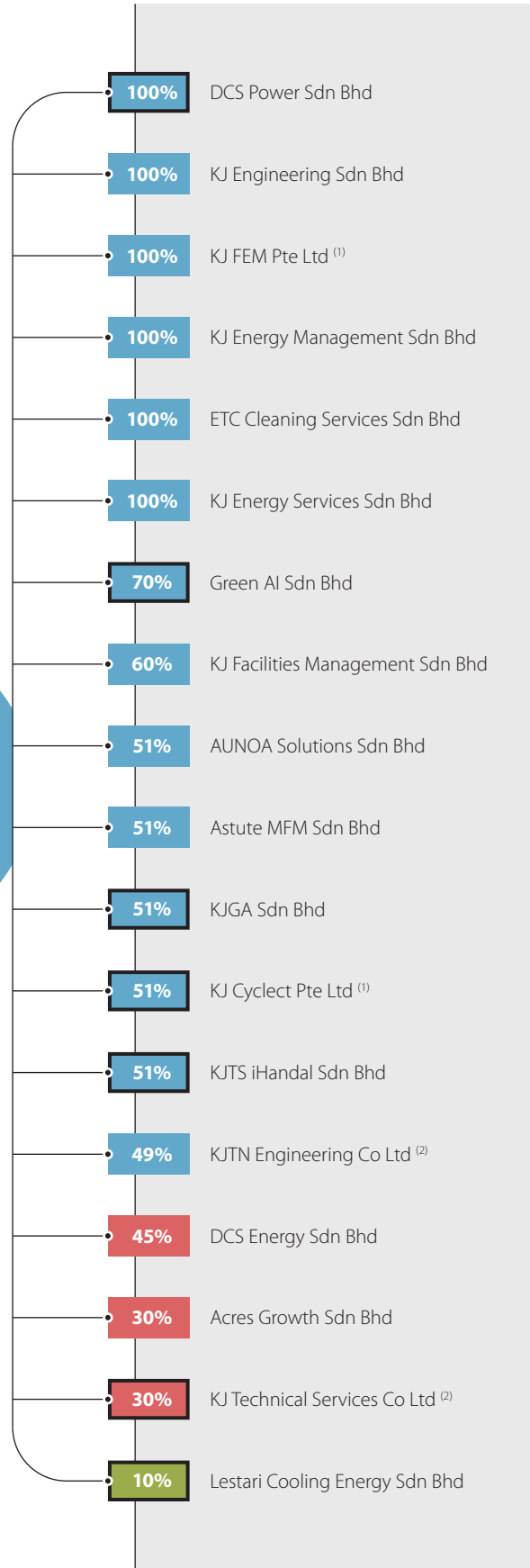
In whatever we do, KJTS Group believes in giving it our all and our best. We ensure that each project we handle will have our full attention to detail, providing us with the platform to keep outdoing standards that have already been and yet to be set. We are constantly working to improve ourselves in whatever capacity, so our clients would always stand to benefit from our services.

Social Responsibility

We are only as good as our environment. As a result, KJTS Group is dedicated to protect and uphold our social responsibility to both the communities we serve and the environment our developments are in. We will ensure that we do our part to place reforms that benefits every entity involved.



CORPORATE STRUCTURE



- Subsidiary
- Associated company
- Other investment
- Dormant

Notes:
⁽¹⁾ Incorporated in Singapore
⁽²⁾ Incorporated in Thailand

CORPORATE INFORMATION

BOARD OF DIRECTORS

- | | | |
|---|--|---|
| <p>1. Azura Binti Azman
Independent Non-Executive Chairman</p> | <p>3. Sheldon Wee Tah Poh
Group Executive Director</p> | <p>5. Elaine Law Soh Ying
Independent Non-Executive Director</p> |
| <p>2. Lee Kok Choon
Group Managing Director</p> | <p>4. Ng Kok Ken
Independent Non-Executive Director</p> | <p>6. Dr. Teoh Pek Loo
Independent Non-Executive Director</p> |

AUDIT COMMITTEE

Chairman	Members
Ng Kok Ken	Dr. Teoh Pek Loo Elaine Law Soh Ying

RISK MANAGEMENT COMMITTEE

Chairman	Members
Dr. Teoh Pek Loo	Ng Kok Ken Elaine Law Soh Ying

NOMINATION AND REMUNERATION COMMITTEE

Chairman	Members
Elaine Law Soh Ying	Ng Kok Ken Dr. Teoh Pek Loo

LONG-TERM INCENTIVE PLAN COMMITTEE

Chairman	Members
Lee Kok Choon	Ng Kok Ken Dr. Teoh Pek Loo

COMPANY SECRETARY

Nur Shahfaiza Binti Md Yusoff
(SSM PC No. 202008000953)
(MAICSA 7052006)

REGISTERED OFFICE

Unit 30-01, Level 30, Tower A
Vertical Business Suite
Avenue 3, Bangsar South
No. 8, Jalan Kerinchi
59200 Kuala Lumpur
Tel. No. : (03) 2783 9191
Fax No. : (03) 2783 9111
Email : info@vistra.com

HEAD OFFICE

Suite 3.03, Level 3, Wisma E&C
No. 2, Lorong Dungun Kiri
Damansara Heights
50490 Kuala Lumpur
Tel. No. : (03) 2716 6866

SPONSOR

Hong Leong Investment Bank Berhad
Level 28, Menara Hong Leong
No. 6, Jalan Damanlela
Bukit Damansara
50490 Kuala Lumpur
Tel. No. : (03) 2083 1800

AUDITORS

UHY Malaysia PLT
202406000040 (LLP0041391-LCA) & AF 1411
Suite 11.05, Level 11
The Gardens South Tower
Mid Valley City
Lingkaran Syed Putra
59200 Kuala Lumpur
Tel. No. : (03) 2279 3088

SHARE REGISTRAR

Tricor Investor & Issuing House Services Sdn. Bhd.
Unit 32-01, Level 32, Tower A
Vertical Business Suite
Avenue 3, Bangsar South
No. 8, Jalan Kerinchi
59200 Kuala Lumpur
Tel. No. : (03) 2783 9299
Email : is.enquiry@vistra.com

STOCK EXCHANGE LISTING

ACE Market of Bursa Malaysia Securities Berhad
Stock Code : 0293
Stock Name : KJTS
Sector : Industrial Products and Services

EMAIL ADDRESS AND WEBSITE

Email : ir@kjts.com.my
Website : www.kjts.com.my

ESCALATING VALUE DELIVERY WITH AGILITY

Our solutions continue to capitalise on rising demand for energy efficiency, supported by favourable policy frameworks and strong recurring service contracts.

> ANNUAL REPORT 2025

LEADERSHIP

- 10 Board of Directors
- 12 Directors' Profile
- 18 Key Senior Management Team Profile



BOARD OF DIRECTORS



From left:

- | | |
|---|---|
| <p>1. AZURA BINTI AZMAN
Independent Non-Executive Chairman</p> | <p>4. NG KOK KEN
Independent Non-Executive Director</p> |
| <p>2. LEE KOK CHOON
Group Managing Director</p> | <p>5. ELAINE LAW SOH YING
Independent Non-Executive Director</p> |
| <p>3. SHELDON WEE TAH POH
Group Executive Director</p> | <p>6. DR. TEOH PEK LOO
Independent Non-Executive Director</p> |



DIRECTORS' PROFILE

Age **63** Gender **Female**

Nationality **Malaysian**

Date of Appointment **21 November 2022**

Board Meeting Attendance in 2025

5/5



Azura Binti Azman is the Independent Non-Executive Chairman of the Group.

As Chairman, she provides steady leadership and strategic oversight to the Board, ensuring its effectiveness while upholding the highest standards of integrity, probity and corporate governance across the Group.

She has more than 30 years of broad-based experience in the capital markets and banking industry, covering corporate banking, institutional sales, equity broking, private equity, and business development. Her career spans senior roles at Southern Bank, Ke-Zan Securities, Crosby Securities (UK), CAV Private Equity, and Hong Leong Investment Bank, culminating in her tenure as Head of Group Wholesale Equities at RHB Investment Bank Berhad.

She continues to play an active role in Malaysia's capital markets through her service on Bursa Securities' Market Participant Committee. Beyond this, she serves as a Board member of Titijaya Land Berhad and RCE Capital Berhad, both are public listed companies and AmanahRaya Investment Management Sdn Bhd. She does not hold any other directorship in public companies.

She holds a Bachelor of Arts (Hons) in Economics and Linguistics from Victoria University of Wellington, New Zealand. She previously held a Capital Markets Services Representative's Licence issued by the Securities Commission Malaysia for dealing in securities and derivatives, as well as advisory services. She is SIDC-certified in Sustainable and Responsible Investment, reinforcing the Board's capacity to oversee KJTS's sustainability agenda and uphold strong governance across ESG-related areas.

She has no family relationship with any Director and/or major shareholder of the Group and no conflict of interest or potential conflict of interest with the Group. She has no convictions for any offences within the past 5 years (other than traffic offences, if any), nor any public sanction or penalty imposed by regulatory bodies during the financial year ended 31 December 2025 ("FYE 2025").



LEE KOK CHOON

Group Managing Director

Age	Gender
51	Male

Nationality **Malaysian**

Date of Appointment
3 June 2022

Board Meeting Attendance in 2025

5/5

Lee Kok Choon is our Group Managing Director. He is also a major shareholder of our Company and is part of our Key Senior Management. He was appointed to our Board as Managing Director on 3 June 2022 and redesignated to Group Managing Director on 1 April 2024. He is also the Chairman of the Long-Term Incentive Plan Committee. He has more than 20 years of experience in the building support services industry.

He holds a Bachelor of Engineering in Mechanical Engineering with 1st Class Honours from Monash University, Australia, in 1999. From his graduation until March 2002, he served in short stints with several companies to gain exposure in the engineering industry.

He started his career in the cooling energy industry when he joined KJ Engineering Sdn. Bhd. ("KJ Engineering") as a Contract Project Engineer in March 2002. He was responsible for overseeing all project tenders, in terms of design, proposal, project procurement, and also monitoring the cost of secured projects. In July 2003, he was promoted to Operation and Maintenance Manager for a major shopping mall in the Klang Valley, to oversee the whole project's operations and maintenance. This project was marked as KJ Engineering's first energy performance contract. He was later promoted to General Manager of Facilities Management in July 2008 where he was responsible for overseeing the overall business unit for the facilities management division. In May 2009, he was promoted to Chief Operating Officer where he managed the daily business operations of the company, working closely with department heads and supervisors to support the day-to-day activities of employees.

Thereafter, he together with Sheldon Wee Tah Poh, our Group Executive Director, subscribed for equity interest of 30% in KJ Technical Services Sdn. Bhd. ("KJ Technical Services") in October 2012 and subsequently acquired the remaining 70% equity interest from KJ Engineering and Dalkia Technical Services Sdn. Bhd. in April 2013. He was then appointed as the Managing Director of KJ Technical Services in May 2013, where he was responsible to oversee the company's business operations, liaise with stakeholders, drive company growth, and was responsible for the overall performance of the business. Subsequently, he and Sheldon Wee Tah Poh, through KJ Technical Services, acquired the entire equity interest in KJ Engineering from Dalkia Asia Pte. Ltd., in December 2014, through a management buyout.

In July 2017, he was appointed as an Executive Director of Sin Heng Chan (Malaya) Berhad when the company subscribed for equity interest of 25% in KJ Technical Services from him and Sheldon Wee Tah Poh. Subsequently in June 2019, he and Sheldon Wee Tah Poh re-acquired their initial 25% equity interest in KJ Technical Services from Sin Heng Chan (Malaya) Berhad, and he subsequently resigned as Executive Director of Sin Heng Chan (Malaya) Berhad in August 2019.

Building on his experience and leadership roles within the Group, he has been instrumental in charting the strategic business growth and development of the Group, particularly following his appointment as Group Managing Director. Leveraging his deep industry knowledge and operational expertise, he has led the expansion of our business operations into Singapore and Thailand. In his current role, he is responsible for the overall performance of our Group's business, which includes driving growth initiatives, overseeing daily operations, supervising the heads of departments, as well as planning, formulating, and implementing the Group's strategic direction. He is also a director of other private limited companies.

He has no family relationship with any other Director and/or major shareholder of the Group. He has no conflict of interest or potential conflict of interest with the Group. He has no convictions for any offences within the past 5 years (other than traffic offence, if any) or any public sanction or penalty imposed by the regulatory bodies during the FYE 2025. He does not hold any directorship in other public companies and listed corporations.

DIRECTORS' PROFILE

Age 50	Gender Male
Nationality Malaysian	
Date of Appointment 3 June 2022	
Board Meeting Attendance in 2025	
5/5	



SHELDON WEE TAH POH
Group Executive Director

Sheldon Wee Tah Poh is our Group Executive Director. He is a major shareholder of our Company and is part of our Key Senior Management. He was appointed to our Board as Executive Director on 3 June 2022 and redesignated to Group Executive Director on 1 April 2024. He has more than 20 years of experience in the building support services industry.

He holds a Bachelor of Business majoring in Marketing and Information Technology from the University of Technology, Sydney, in 1999. He began his career as a Marketing Executive in 1999, with PWB (M) Sdn. Bhd., a cleaning company founded by his father. He was promoted to Marketing Manager in 2003 and to General Manager in 2004, where he was responsible for overseeing the entire business operation of the company. Over the years, he contributed significantly to the expansion and diversification of PWB (M) Sdn. Bhd. from a cleaning services company specialising in transportation infrastructure to other sectors across Malaysia.

In September 2006, he acquired 20% equity interest in KJM Utilities Sdn. Bhd. (a former subsidiary of KJ Engineering which was wound up in April 2015) and was appointed as Director. In July 2013, he resigned as Director of KJM Utilities Sdn. Bhd. He was appointed as Managing Director of PWB (M) Sdn. Bhd. in 2012, when OCS Group International Limited, a global facilities management company acquired 80% equity interest in PWB (M) Sdn. Bhd. Concurrently, he was also appointed as Non-Executive Director of OCS Group Singapore Pte. Ltd., an integrated facility services company providing cleaning and facilities management services. Thereafter, he together with Lee Kok Choon, our Group Managing Director, subscribed for 30% equity interest in KJ Technical Services in October 2012 and he was appointed as a Director of the company. He and Lee Kok Choon then acquired the remaining 70% equity interest in KJ Technical Services from KJ Engineering and Dalkia Technical Services Sdn. Bhd. in April 2013. Subsequently, through KJ Technical Services, they acquired the entire equity interest in KJ Engineering from Dalkia Asia Pte. Ltd. in December 2014 through a management buyout.

In 2015, he was appointed as the Managing Director of OCS Group Singapore Pte. Ltd. In 2017, he resigned as the Managing Director and became the Non-Executive Chairman of both PWB (M) Sdn. Bhd. and OCS Group Singapore Pte. Ltd. until 2018 when he disposed of all his remaining 5.00% equity interest in PWB (M) Sdn. Bhd. and left the said companies. Thereafter, he was appointed as the Executive Director of KJ Technical Services and its group of companies in April 2019.

He was appointed as Executive Director of Sin Heng Chan (Malaya) Berhad in June 2018 after Sin Heng Chan (Malaya) Berhad acquired 25% equity interest in KJ Technical Services from him and Lee Kok Choon. Both of them, re-acquired their initial 25% equity interest in KJ Technical Services from Sin Heng Chan (Malaya) Berhad in June 2019, and he subsequently resigned as Executive Director of Sin Heng Chan (Malaya) Berhad in August 2019.

His 25 years of experience in the building support services industry, has provided him with the necessary skills set to bring businesses together, which contributed significantly to our Group's expansion to Singapore and Thailand.

As the Group Executive Director, he is responsible for formulating business plans, directing organisational strategy, business development, expansion and overseeing our Group's marketing and communications direction, developing organisational culture, as well as overseeing day-to-day activities, reporting on revenue, improving performance and assisting in managing the corporate finances of our Group.

He has no family relationship with any other Director and/or major shareholder of the Group. He has no conflict of interest or potential conflict of interest with the Group. He has no convictions for any offences within the past 5 years (other than traffic offence, if any) or any public sanction or penalty imposed by the regulatory bodies during the FYE 2025. He does not hold any directorship in other public companies and listed corporations.



NG KOK KEN

Independent Non-Executive Director

Age

52

Gender

Male

Nationality **Malaysian**

Date of Appointment

21 November 2022

Board Meeting Attendance in 2025

5/5

Ng Kok Ken is our Independent Non-Executive Director. He was also the Chairman of the Audit and Risk Management Committee and a member of the Remuneration Committee, Nominating Committee and Long-Term Incentive Plan Committee for the FYE 2025.

Upon separation of the Audit and Risk Management Committee into Audit Committee and Risk Management Committee, and the merger of Nominating Committee and Remuneration Committee into Nomination and Remuneration Committee on 26 February 2026, he was appointed as the Chairman of the Audit Committee and the member of the Risk Management Committee and Nomination and Remuneration Committee.

He holds a Bachelor of Commerce in Accounting and Finance from Monash University, Australia, in 1996. He has been a member of the Malaysian Institute of Accountants since July 2014, a member of the Chartered Accountants Australia and New Zealand since June 2000, and he advanced to the status of Fellow since March 2021. He is also a former holder of a Capital Markets Services Representative's Licence issued by the Securities Commission Malaysia for providing investment advice and dealing in securities.

His career spans various roles in finance and business development. He began in auditing at KPMG Malaysia, then transitioned to accounting at Pilecon Engineering Bhd., followed by a move into corporate finance at CIMB Investment Bank Berhad, where he progressed to a manager position, primarily involved in initial public offering exercises and merger and acquisition exercises.

He further honed his corporate finance expertise at ZJ Advisory Sdn. Bhd. and AmlInvestment Bank Berhad, reaching the level of Director of Equity Capital Market. Subsequently, in September 2011, through a firm Saliency Realty Sdn. Bhd. where he has a stake, he provided consulting services to Iskandar Waterfront Sdn. Bhd. ("IWSB"), holding dual roles as General Manager of Corporate Strategic Planning for IWSB and as Finance Director of Riverside Terra Sdn. Bhd., a wholly-owned subsidiary of IWSB. His main responsibilities included coordinating on the initial public offering of IWSB's group of companies, securing financing for various projects, and applying for government grants through the Public Private Partnership Unit (UKAS).

After the business contract with IWSB ended in September 2014, he was engaged as an Advisor/Consultant to various clients where the projects ranged from reverse takeover, fund raising and establishing a new line of business. In 2018, he joined Tarim Capital Sdn. Bhd. as the Chief Financial Officer where his roles included evaluating the feasibility of various projects, structuring joint venture deals, and to execute those projects. Concurrently in June 2021, he served Farmedic Biotech Sdn. Bhd. as Project Director, overseeing the daily operation and corporate related sales.

He has no family relationship with any other Director and/or major shareholder of the Group. He has no conflict of interest or potential conflict of interest with the Group. He has no convictions for any offences within the past 5 years (other than traffic offence, if any) or any public sanction or penalty imposed by the regulatory bodies during the FYE 2025. He does not hold any directorship in other public companies and listed corporations.

DIRECTORS' PROFILE

<p>Age 48</p> <p>Gender Female</p> <hr/> <p>Nationality Malaysian</p> <hr/> <p>Date of Appointment 21 November 2022</p> <hr/> <p>Board Meeting Attendance in 2025</p> <div style="border: 1px solid black; border-radius: 50%; width: 40px; height: 40px; display: flex; align-items: center; justify-content: center; margin: 0 auto;"> 5/5 </div>	 <p style="font-size: 1.2em; font-weight: bold; margin: 0;">ELAINE LAW SOH YING</p> <p style="margin: 0;">Independent Non-Executive Director</p>
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Elaine Law Soh Ying is our Independent Non-Executive Director. She was also the Chairman of the Remuneration Committee, and a member of the Audit and Risk Management Committee and Nominating Committee for the FYE 2025.

Upon separation of the Audit and Risk Management Committee into Audit Committee and Risk Management Committee, and the merger of Nominating Committee and Remuneration Committee into Nomination and Remuneration Committee on 26 February 2026, she was appointed as the Chairman of the Nomination and Remuneration Committee and the member of the Audit Committee and Risk Management Committee.

She holds a Bachelor of Law from the University of Leicester, United Kingdom, in 2000. She then undertook the professional law course in Malaysia from September 2000 till June 2001 and later obtained the Certificate in Legal Practice from the Legal Profession Qualifying Board Malaysia in March 2002. In September 2001, she returned to the University of Leicester, United Kingdom to pursue her Master of Laws (in International Commercial Law) ("LLM") and completed the same in September 2002. She was awarded the degree in LLM in January 2003.

On completion of the LLM, she commenced her pupillage with Messrs Raja, Darryl & Loh in October 2002 and thereafter was admitted as an Advocate and Solicitor of the High Court of Malaya in September 2003. She is also a Certified Professional Coach and is a member of the International Coaching Federation since 2021.

On completion of her pupillage, she joined Messrs Zain & Co as a Legal Associate in September 2003 where she was involved in civil litigation and arbitration matters. She then left Messrs Zain & Co in June 2006 to join Foong & Partners as a Legal Associate in the same month, where she was primarily involved in corporate advisory work.

In December 2006, she left Messrs Foong & Partners and joined Messrs Azman Davidson & Co as a Legal Associate in January 2007 in the corporate and commercial department. She was promoted to Senior Associate in January 2011, and was subsequently admitted as Partner in January 2012 where she was one of the partners responsible for the corporate and commercial department and intellectual property department of the firm. While in Messrs Azman Davidson & Co., her practice areas encompassed initial public offering exercises, advising on mergers and acquisitions (M&A), joint ventures, shareholders' agreements and foreign investments into Malaysia, as well as various commercial contracts drafting. She has provided advisory work relating to intellectual property laws and assisted clients in trademark registration.

In June 2021, she left Messrs Azman Davidson & Co and joined Messrs Law Kuan Yew & Co as a Partner in July 2021 where she currently specialises in the practice areas of corporate and commercial law and intellectual property law, particularly on trademark advisory and registration.

She also sits on the Board of Kucingko Berhad and Empire Premium Food Berhad both of which are public listed companies, as an Independent Non-Executive Director. She does not hold any directorship in other public companies.

She has no family relationship with any other Director and/or major shareholder of the Group. She has no conflict of interest or potential conflict of interest with the Group. She has no convictions for any offences within the past 5 years (other than traffic offence, if any) or any public sanction or penalty imposed by the regulatory bodies during the FYE 2025.



DR. TEOH PEK LOO

Independent Non-Executive Director

Age **50** Gender **Male**

Nationality **Malaysian**

Date of Appointment
21 November 2022

Board Meeting Attendance in 2025

5/5

Dr. Teoh Pek Loo is our Independent Non-Executive Director. He was also the Chairman of the Nominating Committee, and a member of the Audit and Risk Management Committee, Remuneration Committee and Long-Term Incentive Plan Committee for the FYE 2025.

Upon separation of the Audit and Risk Management Committee into Audit Committee and Risk Management Committee, and the merger of Nominating Committee and Remuneration Committee into Nomination and Remuneration Committee on 26 February 2026, he was appointed as the Chairman of the Risk Management Committee and the member of the Audit Committee and Nomination and Remuneration Committee.

He holds a Bachelor of Engineering in Mechanical Engineering from Monash University, Australia, in 1999. He furthered his studies at Monash University where he pursued the Master of Engineering Science till the end of 2000, when he transferred the master programme to the Doctor of Philosophy programme and obtained his Doctor of Philosophy in Engineering Science, in 2004.

He began his career as a Sales Engineer with Longlife Weld (Kuala Lumpur) Sdn. Bhd. in October 2003 where he was involved in the design and preparation of robotics welding and other automated welding system solutions and proposals. He left Longlife Weld (Kuala Lumpur) Sdn. Bhd. in February 2004, and joined Lintraco (M) Sdn. Bhd. as a Senior Project Development Executive in April 2004, where he was primarily involved in the study of the company's business model and competitive advantage, and the company's business growth with a new product range. He then left in October 2004 and joined Syarikat Ban Lee Machinery Trading as a Sales Engineer in December 2004, where he was responsible for sales, installation and commissioning of semi-automated woodworking machineries and production lines.

In 2008, he joined Swisslog Malaysia Sdn. Bhd, and served for over 17 years working his way up to Head of System Design and Consulting where he was in charge of managing and coordinating the overall resources planning to support the sales of fully automated logistics warehouse solutions for clients in Southeast Asia.

In February 2025, he joined MR. D.I.Y. Trading Sdn. Bhd., a wholly-owned subsidiary of MR D.I.Y. Group (M) Berhad, as Head of Warehouse Automation Specialist where he leads the company's transition to automated operations by designing, testing, and deploying efficient warehouse automation solutions. This involves conducting process and commercial analyses to create proposals for stakeholders, managing tenders for project implementation, trial runs, and go-live phases, overseeing the sourcing and procurement of necessary hardware and software, and collaborating with cross-functional teams to ensure seamless project execution.

He has no family relationship with any other Director and/or major shareholder of the Group. He has no conflict of interest or potential conflict of interest with the Group. He has no convictions for any offences within the past 5 years (other than traffic offence, if any) or any public sanction or penalty imposed by the regulatory bodies during the FYE 2025. He does not hold any directorship in other public companies and listed corporations.

KEY SENIOR MANAGEMENT TEAM PROFILE

WONG NAI CHIEN

Group Chief Operating Officer

Age 49	Gender Male	Nationality Malaysian
------------------	-----------------------	---------------------------------

Wong Nai Chien is the Group Chief Operating Officer and he reports to Mr Lee Kok Choon, our Group Managing Director.

He holds a Bachelor of Mechanical Engineering from the University of Malaya, in 2000. He has been a Graduate member of the Institute of Engineers of Malaysia since 2001.

He began his career with Cidar Engineering Sdn. Bhd. as a Project Engineer in April 2000, where he was responsible for assisting in design work of palm oil mills. He left in August 2000 and joined KJ Engineering as a Design and Project Engineer in September 2000. In January 2004, he was promoted to Senior Engineer in the Design and Project Department as the lead engineer in tender and audit exercises, design work, and management of construction and commissioning of cooling systems. Within two years, he was promoted to Contract Manager to head the new Contracts and Procurement Department. Subsequently, he was further promoted and assumed the role of Senior Contracts Manager in March 2011, where he was responsible for leading all tender, proposal, costing and procurement of KJ Engineering, till May 2013.

He was later transferred to KJ Technical Services as Senior Contracts Manager in the Contracts and Procurement Department, from May 2013 to December 2017 due to the internal restructuring of our Group.

He was next assigned to Sin Heng Chan (Malaya) Bhd. as Senior Contracts Manager in January 2018 where he led the Contracts and Procurement Department after Sin Heng Chan (Malaya) Bhd. acquired 25% equity interest in KJ Technical Services. Subsequently in April 2019, he was retransferred to KJ Technical Services as a Senior Contracts Manager when Sin Heng Chan (Malaya) Bhd. disposed of its 25% equity interest in KJ Technical Services.

In January 2020, he was promoted to Chief Operating Officer of the Group. On 1 April 2024, he was redesignated to Group Chief Operating Officer. He is primarily responsible for overseeing the compliance management, procurement, implementation and operation of contract tender, proposals and projects for our Group, as well as monitoring the cost of projects secured.

He does not hold any directorship in other public companies and listed corporations.

He has no family relationship with any other Director and/or major shareholder of the Group. He has no conflict of interest or potential conflict of interest with the Group. He has no convictions for any offences within the past 5 years (other than traffic offence, if any) or any public sanction or penalty imposed by the regulatory bodies during the FYE 2025.

SARMILA A/P MUNIANDY

Group Chief Financial Officer

Age 42	Gender Female	Nationality Malaysian
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Sarmila A/P Muniandy is the Group Chief Financial Officer and she reports to Mr Sheldon Wee Tah Poh, our Group Executive Director.

She holds a Bachelor Degree in Accounting from Universiti Utara Malaysia, in 2008. She pursued her studies and obtained her Master of Business Administration specialisation in Finance from the University of Southern Queensland, Australia, in 2017. She has been a Chartered Accountant with the Malaysian Institute of Accountants since 2016.

She began her career at M. Guna & Co as an Audit Executive in June 2007, where she was responsible for the audit, accounting, tax and secretarial matters. She left M. Guna & Co in December 2008 and participated in a talent enrichment programme, relating to the conventional banking, investment banking, Islamic banking and insurance/takaful organised by the Asian Banking School in collaboration with the Central Bank of Malaysia, for a one-year period from January 2009 to January 2010. As part of the programme, she served an internship with Tokio Marine Life Insurance Malaysia Berhad for 3 months from November 2009. On completion of her internship, she joined Tokio Marine Life Insurance Malaysia Berhad as an Executive in January 2010 where she was responsible for accounts receivables.

She left Tokio Marine Life Insurance Malaysia Berhad in May 2011 and thereafter joined KJ Engineering as an Accounts Executive in the Finance Department in the same month. She was initially promoted to Accountant and later to Accounts Manager in December 2011 and in November 2012, respectively. She held this position till April 2013, before she was transferred to KJ Technical Services as Accounts Manager from May 2013 till December 2017, due to an internal restructuring of our Group.

She was transferred to Sin Heng Chan (Malaya) Berhad as an Accounts Manager in January 2018, after Sin Heng Chan (Malaya) Berhad acquired 25% equity interest in KJ Technical Services. Subsequently in April 2019, she was retransferred to KJ Technical Services as Accounts Manager when Sin Heng Chan (Malaya) Bhd. disposed its 25% equity interest in KJ Technical Services.

In October 2022, she was promoted to Chief Financial Officer of the Group. On 1 April 2024, she was redesignated to Group Chief Financial Officer. She leads the Finance Department and carries out the corporate reporting and finance functions of the Group.

She does not hold any directorship in other public companies and listed corporations.

She has no family relationship with any other Director and/or major shareholder of the Group. She has no conflict of interest or potential conflict of interest with the Group. She has no convictions for any offences within the past 5 years (other than traffic offence, if any) or any public sanction or penalty imposed by the regulatory bodies during the FYE 2025.

ADRIAN LIM HOCK HENG

Chief Operations Officer (Projects)

Age
45

Gender
Male

Nationality
Malaysian

Adrian Lim Hock Heng is the Chief Operations Officer (Projects) of the Group and he reports to Mr Lee Kok Choon, our Group Managing Director.

He holds a Bachelor of Engineering in Electronic Engineering (Communications) from University of Sheffield, United Kingdom, in 2003. He has been a member of the Institute of Electrical Engineers (now known as Institution of Engineering and Technology) since 2003, and a member of the Institution of Engineers of Malaysia since 2020. He is also a Professional Technologist registered with the Malaysian Board of Technologists since April 2022.

He began his career at JAT Engineering Sdn. Bhd. as a Sales and Technical Engineer, in September 2003, where he was responsible for sales, technical and project implementation. In April 2004, he left the company and joined CNC Design Sdn. Bhd. in the same month, as Project Engineer, where he was responsible for the management of company projects. He left CNC Design Sdn. Bhd. in October 2006, and thereafter, he joined KJ Engineering as Project Engineer in November 2006 where he was responsible for technical and engineering aspects of projects assigned to him, as well as, assisting in the implementation of projects secured by KJ Engineering. He was promoted to Senior Project Engineer in January 2010 where he was responsible for the implementation of projects secured by KJ Engineering. In August 2011, he was promoted to Project Manager and subsequently to Senior Project Manager in June 2016, where he was responsible for supervising and overseeing all projects secured by KJ Engineering including cost control. In January 2020, he was promoted to General Manager of KJ Engineering.

In October 2022, he was appointed as Head of Project Department of the Group. He is primarily responsible for overseeing the implementation of projects secured by our Group as well as design works.

On 1 April 2024, he was promoted to Chief Operations Officer (Projects). He is primarily responsible for overseeing the day to day administrative and operational functions of the Group's project and construction initiatives.

He does not hold any directorship in other public companies and listed corporations.

He has no family relationship with any other Director and/or major shareholder of the Group. He has no conflict of interest or potential conflict of interest with the Group. He has no convictions for any offences within the past 5 years (other than traffic offence, if any) or any public sanction or penalty imposed by the regulatory bodies during the FYE 2025.

YAP YEW CHEONG

Regional Head of Engineering and Design

Age
50

Gender
Male

Nationality
Malaysian

Yap Yew Cheong is the Regional Head of Engineering and Design of the Group and he reports to Mr Lee Kok Choon, our Group Managing Director.

He holds a Bachelor of Engineering in Mechanical Engineering from Monash University, Australia, in 1999. He has been a member of the Board of Engineers Malaysia since 1999.

He began his career with SMHB Sdn. Bhd. as a Mechanical Engineer in July 1999 where he was responsible for assisting in design work for the water pumping system. He left SMHB Sdn. Bhd. in July 2000 and joined Western Digital (Malaysia) Sdn. Bhd. as a Process Engineer in August 2000 where he was responsible for assembly process optimisation and waste reduction. He left Western Digital (Malaysia) Sdn. Bhd. in March 2002 and joined Johnson & Johnson Sdn. Bhd. as a Project Engineer in March 2002 where he was responsible for floor process optimisation. He left Johnson & Johnson Sdn. Bhd. in August 2002 and subsequently joined S.E.H Malaysia Sdn. Bhd. as an Engineer the following month, where he was responsible for the process involving wafer demounting and edge grinding, and he left the company as a Senior Engineer in November 2008. He moved to Australia at the end of the same year and joined Kraft Foods Inc. as a Process Engineer from February to June 2009 where he was responsible for food and beverage process optimisation.

In July 2009, he returned to Malaysia and joined MEMC Electronic Materials Sdn. Bhd. as a Process Engineer in September 2009 till January 2010, where he was responsible for the process involving wafer edge grinding. He took a career break for the remaining year. In January 2011, he joined KJ Engineering as a Senior Engineer, where he was responsible for carrying out energy audit exercises and assisting the operation and maintenance team in technical matters. In January 2012, he was promoted to Engineering Manager of KJ Engineering, a position he holds till today. As Engineering Manager, he is responsible for the setup and implementation of specific procedure and project specification while also assisting in project design coordination.

In October 2022, he was promoted to Head of Engineering Department of the Group. On 1 April 2024, he was redesignated to Regional Head of Engineering and Design. He is primarily responsible for managing all energy audit exercises, overseeing design works and providing technical support as well as the testing and commissioning of projects secured by the Group.

He does not hold any directorship in other public companies and listed corporations.

He has no family relationship with any other Director and/or major shareholder of the Group. He has no conflict of interest or potential conflict of interest with the Group. He has no convictions for any offences within the past 5 years (other than traffic offence, if any) or any public sanction or penalty imposed by the regulatory bodies during the FYE 2025.



POSITIONED FOR STRATEGIC EXPANSION THROUGH PARTNERSHIPS

We strategically leverage on pivotal joint ventures and acquisitions that broaden our energy-management capabilities and accelerate scalable opportunities.

> ANNUAL REPORT 2025

PERFORMANCE

- 22 Q&A with the Chairman
- 26 Management Discussion and Analysis



Q&A WITH THE CHAIRMAN



BUILDING FOR AN ENDURING LEGACY AND A SUSTAINABLE FUTURE

The following Q&A with Chairman provides further clarity on the Group's journey and the strategic steps being taken to build a resilient future.

Q1. REFLECTING ON A REMARKABLE YEAR: KJTS has been one of the top performing IPOs since its listing. What were the key drivers behind this exceptional performance in the financial year ended 31 December 2025 ("FYE 2025")?

A: I am pleased to share that KJTS continued to translate our plans into tangible performance. Our focus on disciplined execution, supported by the dedication of our people, resulted in a year of robust and balanced growth. This was driven by a set of mutually reinforcing drivers:

- Delivering on our IPO commitments with discipline
- Advancing regional expansion and securing long-term contracts
- Accelerating our growth through strategic partnerships
- Maintaining strong and resilient financial fundamentals

Throughout the process, we upheld full transparency with timely disclosures at each regulatory milestone, strengthening stakeholder trust.

FYE 2025 marked a pivotal chapter for KJTS Group. It was the year we delivered on the commitments made at our IPO - evolving from a capable project executor into a regional player in sustainable energy and cooling infrastructure. This transformation, driven by execution excellence and strategic partnerships, has positioned the Group for lasting, responsible value creation.

Partnerships and joint ventures in FYE 2025:

Stonepeak Kelvin:

Cooling infrastructure

iHandal:

Heat-recovery solutions

Cyclect joint venture:

energy-as-a service model

Green AI Envicool:

Data centre cooling solutions

We also strengthened our long-term earnings profile. During the year, we secured several long-duration contracts that form a solid foundation for recurring income, including the collaboration for Penang's Medi-City district cooling system, and the 20-year retrofit and O&M contract with KIP REIT across seven sites. In Thailand, the 20-year ROT award for chilled-water optimisation at Centara Hua Hin further elevated KJTS's visibility and credibility across Southeast Asia.

Next, we strengthened our growth momentum through a series of strategic joint ventures that broadened our capabilities and our reach. Our partnership with Cyclect marked our entry into Singapore's Cooling-as-a-Service market. The joint venture with iHandal opened opportunities in heat-recovery solutions. Meanwhile, the Stonepeak Kelvin partnership created an institutionally-backed regional platform for large-scale cooling infrastructure.

Finally, we upheld financial discipline, funding our expansion while delivering solid profit growth and sustaining our dividend payout. This combination of prudent capital management, transparent disclosures, and consistent execution kept KJTS among Malaysia's best-performing post-IPO companies.

Q2. STRATEGIC VISION AND ALIGNMENT: How does the Group's strategy align with national agendas like the National Energy Transition Roadmap (NETR), and what role does KJTS play in supporting Malaysia's sustainable development goals?

A: We view ourselves as an active participant in Malaysia's energy transition. Our commercial strategy is inherently aligned with the national climate and economic agenda. The KJTS business model directly supports three NETR pillars: Energy Efficiency, Thermal Decarbonisation, and Electrification.

By improving the efficiency of buildings and industrial processes, we directly contribute to Malaysia's aim of reducing national energy intensity by 45% by 2030. Every chilled water system we retrofit, every district cooling plant we manage, and every heat-recovery solution we deploy helps advance this goal.

The Penang Medi-City project positions KJTS within a state-led district cooling collaboration, reinforcing the NETR's emphasis on public-private partnership in infrastructure.

Q&A WITH THE CHAIRMAN

Our partnerships and joint ventures support Malaysia's wider transition:

- **Stonepeak Kelvin joint venture** channels global institutional capital into regional district-cooling infrastructure, demonstrating investor confidence in Malaysia's sustainable infrastructure market.
- **iHandal joint venture** develops heat-recovery solutions that reduce fuel-based heating demand. By integrating KJTS's cooling systems with iHandal's patented technology, the Group is creating replicable, high-efficiency, low-carbon thermal solutions.
- **Cyclect joint venture (Singapore)** extends the energy-as-a-service model beyond Malaysia, demonstrating that Malaysian engineering expertise can meet growing regional demand for efficient cooling.
- **Green AI Envicoool MoU (Memorandum of Understanding with Shenzhen Envicoool Technology Co., Ltd.)** focuses on innovative data centre cooling solutions in Southeast Asia.

Our commercial strategy is inherently aligned with the national climate and economic agenda. The KJTS business model directly supports three NETR pillars: Energy Efficiency, Thermal Decarbonisation, and Electrification.

Q3. GOVERNANCE AND RISK MANAGEMENT: How has KJTS's long-term resilience and governance framework been fortified during the year?

A: On 14 March 2025, KJTS entered into a Joint Venture with Stonepeak to develop, upgrade, invest in, and own cooling assets. Partnering with a global infrastructure investor introduces global standards of investment discipline, operational rigour, and governance into our platform. The joint venture framework was carefully structured to enable KJTS to pursue large-scale cooling opportunities through a dedicated vehicle, allowing ring-fencing of project risks and safeguarding our balance sheet.

2025 also underscored our commitment to transparency. We made more than 50 public disclosures this year with zero compliance issues. This is a reflection of our strong corporate governance culture.

Q4. CONFIDENCE IN THE FUTURE: Given the current economic landscape, what gives you the utmost confidence in KJTS's ability to not just navigate the future, but to continue its aggressive growth trajectory?

A: Our confidence stems from the contracted earnings base we have built and the counter-cyclical nature of our services. Our solutions help clients manage costs and energy price volatility, making demand resilient even in softer economic conditions.



The long-term contracts secured this year provide predictable recurring cash flow. Our recent collaborations have also strengthened income visibility over a multi-year project pipeline, transitioning us from an opportunistic approach to one grounded in committed demand.

Our regional footprint also reduces exposure to localised slowdowns. We are now delivering projects across Malaysia, Thailand, and Singapore, supported by stable anchor contracts.

Q5. SUSTAINABILITY: How is KJTS ensuring it remains a responsible and sustainable business?

A: For KJTS, sustainability is not an adjunct; it is the core of our business model. We grow by helping our clients operate more efficiently and responsibly.

Our governance framework ensures that expansion is undertaken with accountability. All major partnerships and acquisitions are supported by formal agreements and transparent shareholders' approvals. Our commitment to prompt public disclosure ensures our stakeholders can track our progress and our adherence to governance standards.

The long-term nature of our contracts reinforce accountability; when we manage an asset for 20 years, we are responsible for its performance over its full lifecycle. This naturally aligns with our ESG goals of energy efficiency and carbon reduction.

We continue to expand our suite of low-carbon technologies. Our partnerships in heat-recovery and data centre cooling solutions reflect our focus on innovation and sustainability.

Q6. COMMITMENT TO SHAREHOLDERS: What is the Board's overarching philosophy regarding capital allocation, balancing reinvestment for growth with returns to shareholders, and how is this reflected in the dividend policy?

A: Our philosophy is clear: reinvest when it generates sustainable long-term value, and return capital when performance allows. We operate within a transparent and financially prudent framework to achieve this balance.

Despite undertaking significant expansion, the Board declared an interim dividend during the year. This reflects our commitment to sharing success with our shareholders while preserving capacity for reinvestment. We will continue to deploy capital strategically into sustainable and utility-like assets that generate recurring income which will support stable dividend payments well into the future.

Q7. ACKNOWLEDGMENTS: As you look ahead, what message would you like to convey to KJTS's employees, partners, and shareholders who have been part of this incredible journey?

A: My message is one of deep appreciation. FYE 2025's strong performance reflects the collective effort of our people, partners, and stakeholders.

To the KJTS team: your expertise and dedication turned complex projects into reality.

To our partners: thank you for your trust and collaboration.

To our shareholders: your confidence drives our ambition.

The foundations we laid this year give me great confidence in the next chapter of the KJTS story. We remain committed to responsible stewardship, disciplined growth, and contributing to a more efficient and sustainable future.

Thank you for your continued trust.

AZURA BINTI AZMAN

Chairman

Post-Reporting Date Event:

Subsequent to the financial year end, the Company's proposed acquisition of Malakoff Utilities Sdn Bhd has lapsed as of 3 February 2026, following the non-fulfilment of certain conditions precedent by the long-stop date. While the transaction will not proceed, the Group remains in a robust financial position and is actively redirecting its focus and the associated IPO proceeds towards high-growth opportunities within our existing regional pipeline and strategic joint ventures. This transition ensures our capital remains efficiently deployed to drive long-term shareholder value without compromising our strategic momentum.

MANAGEMENT DISCUSSION AND ANALYSIS

BOLSTERING OUR ROOTS

I am pleased, on behalf of the Board of Directors and my entire leadership team, to present this comprehensive Management Discussion and Analysis for the Financial Year Ended 31 December 2025 (FYE 2025).

This statement not only addresses the Group's performance and financial condition but, more importantly, articulates the strategic vision that will anchor our growth in the coming decade.

ACTIVATING THE KJTS ADVANTAGE

FYE 2025 was a truly transformative year for KJTS Group Berhad ("KJTS" or the "Group"), marking the first full cycle in which our long-term strategy came into full alignment with market opportunity, operational delivery, and financial performance. We have continued our deliberate evolution from a project-based executor into a robust regional platform built on sustainable, long-term recurring income streams. This strategic shift is fundamentally underpinned by what we call our Engineering-to-Operations continuity model.

The core competitive advantage of KJTS is rooted in the seamless integration of our technical expertise. We marry our Engineering, Procurement, Construction, and Commissioning ("EPCC") capabilities with long-term Operation and Maintenance ("O&M") or Energy-as-a-Service ("EaaS") contracts. This integrated model is designed to ensure two critical outcomes for our shareholders and customers.

Firstly, we secure recurring revenue. Every EPCC project transitions immediately into a multi-year service or concession agreement, typically structured as Build-Operate-Transfer ("BOT") or Retrofit-Operate-Transfer ("ROT") models. This mechanism provides high earnings visibility and stabilises our cash flow, reinforcing our investment thesis of recurring income growth anchored in energy efficiency.

Secondly, we achieve superior margin protection by retaining operational control. This allows our technical teams to continuously capture and sustain the efficiency gains achieved during retrofits and new installations, which translates directly into lower lifecycle costs and sustained margins for the Group.

The Group operates through three interlinked segments, and I am proud to confirm that all performed strategically in FYE 2025:

1 Cooling Energy: This segment serves as our primary strategic growth and margin engine, focused on high-value, long-term EaaS/ROT projects. It delivered the strongest growth momentum, anchored by landmark contracts secured during the year, notably the 20-year retrofit and O&M programme with KIP REIT, and the 20-year Centara Hua Hin ROT agreement.

2 Facilities Management ("FM"): Provides the necessary operational depth, site-level control, and crucial cross-selling opportunities for our Cooling Energy solutions. It maintained stable performance through key contract wins and renewals, including a prestigious contract for Marlborough College Malaysia, and expanded our regional reach via the Cyclec Investments Pte Ltd joint venture in Singapore.

3 Cleaning Services: Provides a steady, predictable cash-flow base and a scalable workforce platform for integrated contracts, continuing to provide stable recurring income and essential operational scale across commercial sites.

FINANCIAL PERFORMANCE

The successful execution of our integrated strategy has directly translated into strong financial performance. Our audited results for FYE 2025 demonstrate robust growth across all key metrics:

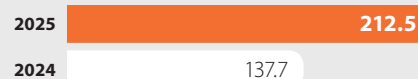
- FYE 2025 revenue reached RM212.5 million, a significant 54.3% increase over FYE 2024's RM137.7 million. The Cooling Energy segment was the primary driver, contributing RM129.3 million (60.9% of total revenue).
- Profit Before Tax ("PBT") surged to RM24.5 million, representing a 137.9% increase from RM10.3 million in the preceding year. This substantial growth was driven by improved project execution efficiencies and a growing proportion of higher-margin recurring service income.
- Profit After Tax ("PAT") rose to RM18.1 million, an increase of 118.1% from RM8.3 million in FYE 2024, reflecting disciplined cost controls and operational gearing benefits.
- Basic Earnings Per Share ("EPS") increased to 2.61 sen, compared to 1.20 sen in FYE 2024.

The validation of the KJTS advantage is clear: we doubled our profits while growing revenue by 54.3%. This suggests that our higher-margin recurring service income is now significantly strengthening the bottom line. Following this strong performance, the Group distributed RM2.8 million in dividends during FYE 2025 reflecting our commitment to shareholder returns.

Financial Performance Highlights (FYE 2025 vs. FYE 2024)

Group Revenue

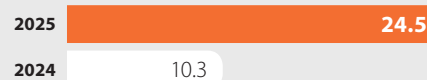
(RM'mil)



▲ 54.3%

Profit Before Tax (PBT)

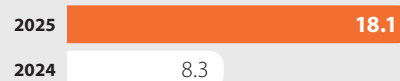
(RM'mil)



▲ 137.9%

Profit After Tax (PAT)

(RM'mil)



▲ 118.1%

Basic Earnings Per Share (EPS)

(Sen)



▲ 117.5%

MANAGEMENT DISCUSSION AND ANALYSIS

Liquidity Position

We maintained a sound liquidity position throughout FYE 2025, focusing our liquidity management on balancing working capital requirements for EPCC project execution with the long-term capital needs for EaaS asset ownership.

- Current Ratio: The current ratio stood at 2.80:1 as of 31 December 2025, compared to 4.12:1 in FYE 2024, ensuring sufficient assets to cover short-term liabilities.
- Cash Position: Our total cash and bank balances, short-term investments, fixed deposits and bank overdraft, amounted to RM57.1 million (FYE 2024: RM67.6 million). While the cash position remains robust, the decrease reflects strategic capital deployment into long-term assets and project execution.

Note: During the year, a deposit of RM6.55 million was allocated for a potential subsidiary acquisition. Following the end of the reporting period, this proposal did not proceed due to the non-fulfilment of certain conditions. The Group remains committed to redeploying this capital toward other high-yield energy infrastructure projects.

Capital Expenditure (“CAPEX”)

Group CAPEX for FYE 2025 was strategically focused on asset creation:

- Property, Plant and Equipment (“PPE”): Investment in PPE increased to RM3.0 million (carrying amount) as we expanded our operational fleet and technical equipment.
- Concession Receivables: Our long-term concession assets grew to RM17.3 million, representing the “locked-in” value of our long-term cooling energy contracts that will yield steady cash flows over the next 15–20 years.

Dividend Policy

The Group operates a policy that seeks to balance rewarding shareholders with retaining sufficient capital to fund future growth opportunities and maintain a resilient financial position. In line with this commitment, the Group’s EPS increased to 2.61 sen in FYE 2025, compared to 1.20 sen in FYE 2024.

The Board will continue to review the dividend policy annually, taking into consideration factors such as the Group’s retained earnings, cash flow from operations, projected CAPEX requirements, current and anticipated profitability, and regulatory capital requirements, to ensure a sustainable and balanced approach to shareholder returns.

REVIEW OF OPERATIONAL AND STRATEGIC ACHIEVEMENTS

Beyond the financial headlines, it is the consistency of our operational execution that truly validates our strategy. As at 31 December 2025, our Trade Receivables and Contract Assets increased significantly to RM48.9 million and RM46.2 million respectively (up from RM26.8 million and RM15.7 million in FYE 2024). This massive increase in project activity and work-in-progress supports our narrative of strong future revenue visibility.

Regional Footprint

Furthermore, the regional footprint has been successfully established across Malaysia, Singapore, and Thailand, confirming our transition to a regional operating platform. Crucially, we maintained a clean safety & project delivery record, reporting zero major safety incidents or liquidated damages, which underpins customer trust and supports renewal and cross-selling opportunities.



A defining feature of FYE 2025 was our disciplined approach to strategic capital deployment and partnership formation, which is central to our capital discipline and partnership-driven expansion growth philosophy.

Trade Receivables
RM48.9 million
(up from RM26.8 million in FYE 2024)

Contract Assets
RM46.2 million
(up from RM15.7 million in FYE 2024)

Regional Revenue Performance

The Group's regional expansion is reflected not only in its operational presence but also in the measurable revenue contributions from each market. The table below summarises the revenue breakdown by geographical market for FYE 2025 and FYE 2024:

Geographical Market	FYE 2025		FYE 2024		YoY Growth	
	RM'000	%	RM'000	%	RM'000	%
Malaysia	164,091	77.3	102,059	74.1	62,032	+60.8%
Singapore	30,758	14.5	26,566	19.3	4,192	+15.8%
Thailand	17,605	8.3	9,121	6.6	8,484	+93.0%
Group Total	212,454	100.0	137,746	100.0	74,708	+54.2%

Malaysia

Malaysia remained the Group's largest revenue contributor, accounting for RM164.1 million or approximately 77.3% of total Group revenue in FYE 2025, compared to RM102.1 million (74.1% of total) in FYE 2024 – an increase of RM62.0 million or 60.8% year-on-year. This growth was driven primarily by the Cooling Energy segment's landmark contract wins, including the 20-year retrofit and O&M programme with KIP REIT and the continued ramp-up of new EaaS projects across commercial and institutional sites. The Cleaning Services segment also contributed to domestic growth through an expanding customer base across commercial properties.

Singapore

Singapore contributed RM30.8 million to Group revenue in FYE 2025, up from RM26.6 million in FYE 2024, representing growth of RM4.2 million or 15.8%. Singapore's performance was underpinned by the established FM and Cleaning Services operations, augmented by the formation of the Cyclect Investments Pte Ltd joint venture, which has deepened the Group's Cooling-as-a-Service (CaaS) capabilities in Singapore. Revenue growth in Q4 FYE 2025 was modestly tempered by the weakening of the Singapore Dollar against the Malaysian Ringgit, which impacted the translated contribution in the final quarter.

Thailand

Thailand was the Group's fastest-growing market in FYE 2025, with revenue nearly doubling to RM17.6 million from RM9.1 million in FYE 2024, an increase of RM8.5 million or 93.0%. This exceptional growth reflects the recognition of revenue from the landmark 20-year Centara Hua Hin ROT concession agreement, which commenced during the year. The Thailand operation exemplifies the Group's Engineering-to-Operations continuity model in practice, converting an EPCC project into a long-term recurring income stream structured over two decades.

Regional Outlook

As the Group enters 2026, all three markets are expected to sustain their growth trajectories. In Malaysia, the pipeline of cooling energy projects and facilities management renewals, alongside an expanding Cleaning Services customer base, provides a solid foundation for continued domestic growth. In Singapore, the Cyclect Investments Pte Ltd joint venture partnership is expected to generate incremental CaaS revenue, whilst the Memorandum of Understanding ("MoU") with Shenzhen Envicool positions the Group in the high-growth data centre precision cooling segment. In Thailand, the Centara Hua Hin ROT concession will provide steady long-term recurring income, and the Group is actively exploring further concession opportunities in the region.

Strategic Capital Deployment & Partnerships

This strong operational discipline allows us to pursue external growth opportunities with confidence. A defining feature of FYE 2025 was our disciplined approach to strategic capital deployment and partnership formation, which is central to our capital discipline and partnership-driven expansion growth philosophy.

Simultaneously, the partnership with Stonepeak Kelvin Holdings Limited ("Stonepeak"), an international infrastructure investor, in the formation of Lestari Cooling Energy Sdn Bhd, is transformative. It creates an institutional platform that converts KJTS's technical expertise into an investable, asset-ownership model. This is critical because it allows the Group to co-own cooling infrastructure and scale regionally while sharing capital and operational risk, strengthening balance-sheet resilience. We also strengthened our capabilities through targeted partnerships, including a joint venture with Cyclect Investments Pte Ltd to support CaaS delivery, and an MoU with Shenzhen Envicool to advance precision cooling solutions for data centres. These collaborations enhance technical depth and execution capacity in specialised, high demand segments.

MANAGEMENT DISCUSSION AND ANALYSIS

Our value proposition is clear: predictable earnings from long-term energy contracts, disciplined growth through strategic partnerships, and a sustainability model that turns efficiency into profit. This combination gives investors confidence that KJTS's growth is not only scalable but enduring.

Our funding strategy is designed to support this expansion. We continue to pursue a predominantly equity-led capital structure to maintain a conservative gearing profile. The proposed special issue to Bumiputera investors, undertaken during the year, is intended to broaden our shareholder base, fulfil regulatory requirements, and raise equity capital to support general working capital and strategic investment needs.

OUTLOOK, STRATEGY, AND RISK MANAGEMENT

The strong funding base and robust order book set the stage for the coming year. As we enter 2026, our focus remains on high-margin Cooling Energy projects and the continued digitisation of our FM services and cleaning services to drive further operational gearing.

We will also continue our digital transformation by expanding the use of Computerised Maintenance Management System (CMMS) and data analytics across all segments to further improve maintenance predictability, labour productivity, and operating margins. Finally, the Group is committed to Environmental, Social, and Governance ("ESG") reporting, formalising its framework to align with Bursa Malaysia guidelines and the National Energy Transition Roadmap ("NETR").

This commitment to sustainability as competitive advantage ensures that every KJTS project is structured to deliver measurable energy reduction and carbon avoidance, aligning directly with the NETR and our customers' own decarbonisation targets. Our ESG integration, from energy-efficient operations to data-driven reporting, positions us as a credible implementation partner for low-carbon infrastructure across ASEAN.

Key Risks and Mitigation Strategies

My team diligently monitors potential risks to ensure sustainable growth.

Firstly, Electricity Tariff Volatility could impact operating costs and customer pricing structures. This is mitigated through the incorporation of tariff-indexed mechanisms and pass-through clauses in long-term contracts to protect gross margins, while rising tariffs simultaneously increase customer demand for the Group's energy-efficiency solutions.

Secondly, Supply Chain Disruptions, which could lead to delays and cost inflation for critical components, are managed through multi-vendor sourcing across ASEAN, direct Original Equipment Manufacturer (OEM) relationships, and strategic inventory management for mission-critical parts.



Thirdly, competition for technical talent is a challenge for regional expansion, which we addressed by offering comprehensive internal training, certification programmes, regional mobility schemes, and performance-linked incentives to strengthen human capital retention.

Lastly, project concentration risk, where large capital-intensive projects could over-concentrate balance sheet exposure, is mitigated by using project-level joint ventures (e.g., Stonepeak) to ring-fence financial and execution risk and ensure shared capital deployment.

THE PATH FORWARD

As we close this review of FYE 2025, we extend our sincere appreciation to all who have contributed to the Group's progress during a pivotal and transformative year. Our achievements would not have been possible without the steadfast commitment, discipline, and professionalism demonstrated by our employees across Malaysia, Singapore, and Thailand. Their technical expertise and dedication to operational excellence continue to form the backbone of our long-term success.

We also express our gratitude to our shareholders, investors, and business partners for their continued confidence in our strategic direction. Your support has enabled the Group to strengthen its foundations, pursue new opportunities, and advance our ambition of becoming a leading regional platform for sustainable cooling and energy solutions. Our joint venture partners, technology collaborators, and institutional stakeholders have each played a meaningful role in shaping the resilient, partnership-driven growth model that now defines KJTS.

Finally, we acknowledge our customers across commercial, hospitality, healthcare, industrial, and institutional sectors who entrust us with assets that are critical to their operations. We value this trust deeply and remain committed to delivering measurable performance, long-term reliability, and shared progress towards a more energy-efficient and sustainable future.

With strengthened fundamentals, a maturing recurring-income base, and a clear roadmap for 2026 and beyond, KJTS enters the next phase of growth with confidence and purpose. We look forward to continuing this journey together and delivering enduring value for all stakeholders in the years ahead.

LEE KOK CHOON

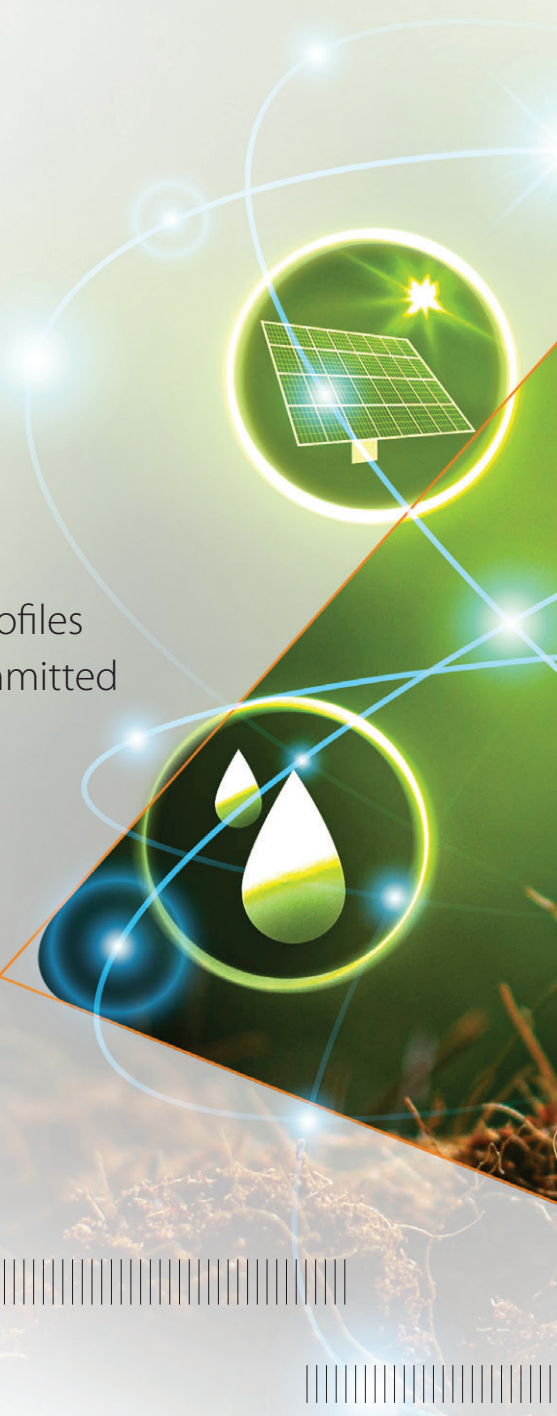
Group Managing Director

Our value proposition is clear: predictable earnings from long-term energy contracts, disciplined regional growth through strategic partnerships, and a sustainability model that turns efficiency into profit.



CULTIVATING SUSTAINABLE VALUE WITH RESILIENCE

With robust revenue growth, recurring income profiles and strategic capital partnerships, we remain committed to delivering long-term value for stakeholders.



> ANNUAL REPORT 2025



SUSTAINABILITY



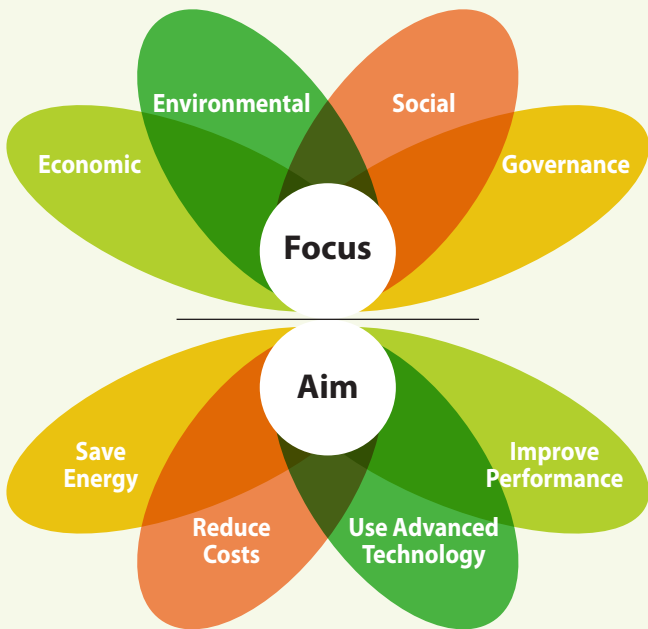


SUSTAINABILITY STATEMENT

ABOUT THIS SUSTAINABILITY STATEMENT

KJTS Group Berhad (“KJTS” or “the Company”), alongside its subsidiaries (“KJTS Group”, or “the Group”), is committed to empowering future-focused value by embedding sustainability considerations across all facets of its integrated building support services in Malaysia, Singapore and Thailand. This commitment is a core belief that sustainable infrastructure is the future of our business.

This Sustainability Statement (“Statement”) outlines our approach, performance and targets for the financial year ended 31 December 2025 (“FYE 2025”). It is an upgrade from our 2024 disclosure, designed to provide our stakeholders with a robust and decision-useful analysis of the sustainability-related risks and opportunities impacting our short, medium and long-term value creation.



Our Sustainability Approach

Our approach is centred on sustainability considerations that are most material to our business and stakeholders. We deliver energy-focused technical management services through long-term, performance-based solutions that bridge divides across borders and cultures.

Reporting Framework

- This Statement has been prepared in accordance with the Bursa Malaysia Securities Berhad
- 01 Guidance Note 11A of the ACE Market Listing Requirements
 - 02 Bursa Sustainability Reporting Guide (3rd Edition)

REPORTING SCOPE

This Statement covers the sustainability activities and performance for FYE 2025 and includes the performance of our operations in Malaysia, Thailand and Singapore, which includes the following subsidiaries:

- KJ Technical Services Sdn Bhd
- KJ Engineering Sdn Bhd
- KJ Energy Management Sdn Bhd
- KJ Energy Services Sdn Bhd
- KJ Facilities Management Sdn Bhd
- KJ FEM Pte Ltd
- ETC Cleaning Services Sdn Bhd
- Astute MFM Sdn Bhd
- AUNOA Solutions Sdn Bhd
- KJTN Engineering Co Ltd

Any other subsidiaries not mentioned above are not covered in this Statement, unless stated otherwise.

Assurance

This Statement has not been subjected to an assurance process. Nevertheless, the performance data published within this Statement has been assessed, validated and reviewed by the Board.

Moving Forward

In line with the National Sustainability Reporting Framework (NSRF) launched in September 2024, KJTS is classified as a Group 3 reporter. We are currently progressing toward the adoption of International Sustainability Standards Board (ISSB) standards, specifically International Financial Reporting Standards (IFRS) S1 and S2, to ensure our disclosures remain reliable, comparable and decision useful.

FEEDBACK

We value your feedback on this Statement and any matters described herein. Enquiries, comments and suggestions regarding the content of this Statement may be emailed to us at ir@kjts.com.my.



SUSTAINABILITY GOVERNANCE

Sustainability is a strategic imperative overseen directly by the Board of Directors (“BOD”), which holds ultimate responsibility for setting the Group’s sustainability direction, approving key policies and monitoring material sustainability-related performance and climate targets. Our established governance structure unites our BOD, the Management Committee (“MC”) and Heads of Departments (“HODs”) in this shared commitment.

The diagram below delineates the roles and responsibilities for each structure level, underscoring our commitment to principled and effective sustainability practices:



This collaborative platform encourages transparent communication and partnership with all stakeholders, enabling us to navigate complexities and unlock innovative solutions. Committed to continuous improvement, we invest in our leaders through regular sustainability training, ensuring they have the expertise to make impactful, sustainability-driven decisions.

GOVERNANCE POLICIES AND PROCEDURES

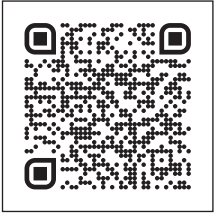
KJTS actively drives sustainable practices through a suite of robust policies, built on a foundation of ethical principles and operational integrity. These policies, available on <https://www.kjts.com.my/investor-relations/corporate-governance/>, set the bar for increased transparency, accountability and streamlined operations throughout the organisation. Key policy initiatives include:



SUSTAINABILITY POLICY

KJTS established a foundational Sustainability Policy, designed to embed sustainability integration at the heart of our operations. This policy, vital to our corporate strategy, serves as a compass for aligning our practices with core sustainability values, promoting a workplace where accountability thrives. The policy aims to achieve:

- Building awareness of sustainability principles that positively impact society, protect the environment and support sustainable growth for future generations.
- Driving continuous improvements in sustainability performance.
- Fostering stakeholder engagement on sustainability matters.
- Complying rigorously with applicable regulations and standards.










QR CODE Scan here to view all policies

SUSTAINABILITY STATEMENT

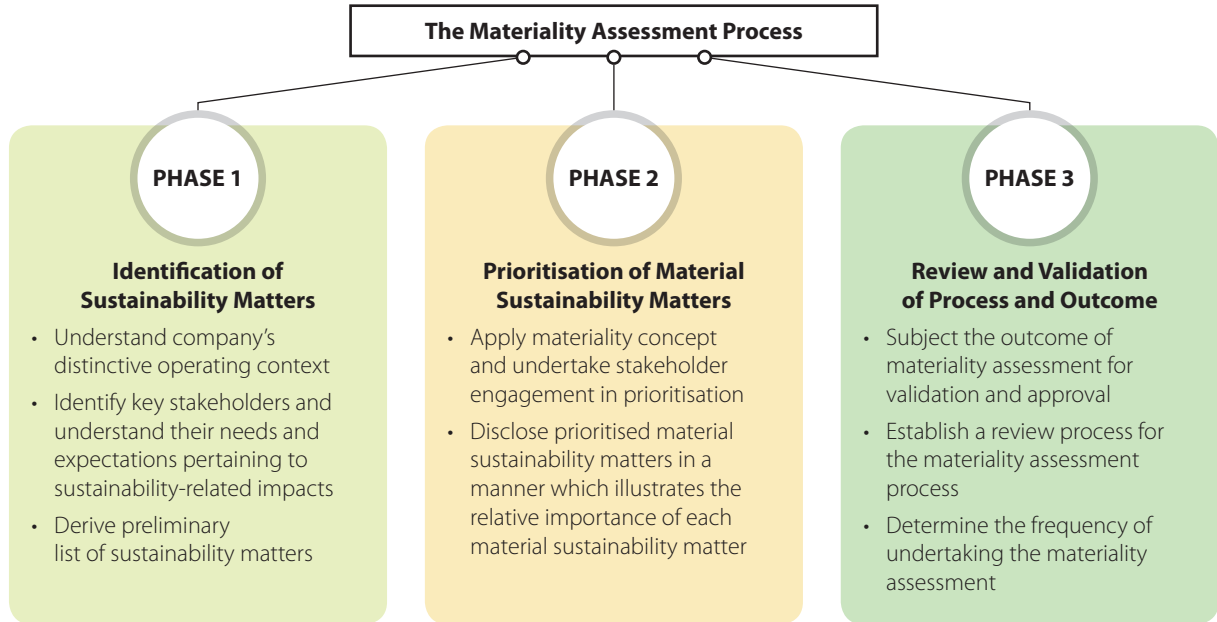
STAKEHOLDER ENGAGEMENT

The Group’s sustainability journey is intrinsically linked to our stakeholders, whose perspectives we deeply value. To this end, we foster ongoing dialogue and transparent communication, seeking to understand their concerns, address shared challenges and jointly pursue outcomes that deliver economic, social and environmental benefits.

Stakeholders are engaged through a variety of channels which includes:

Stakeholder Group	Areas of Interest or Concern	Engagement Platform	Engagement Method	Engagement Frequency
 Shareholders & Investors	<ul style="list-style-type: none"> Financial performance Corporate governance Regulatory compliance Ethical business conduct Internal control and risk management 	<ul style="list-style-type: none"> Financial and corporate announcement and reporting Annual general meeting (“AGM”) Corporate website Bursa announcement 	<ul style="list-style-type: none"> Hold AGM to present our Company’s financial performance Analyst briefing Annual report Quarterly report 	<ul style="list-style-type: none"> Annually Quarterly As and when required
 Customers	<ul style="list-style-type: none"> Product and service quality and pricing Customer service Product development and innovation Health and safety 	<ul style="list-style-type: none"> Customer satisfaction survey Corporate website 	<ul style="list-style-type: none"> Conduct annual customer satisfaction surveys Actively engaging and building relationships 	<ul style="list-style-type: none"> Annually Quarterly As and when required
 Vendors & Suppliers	<ul style="list-style-type: none"> Business continuity Product quality Customer service Ethical practices Responsible environmental initiatives 	<ul style="list-style-type: none"> Direct engagement Meetings and discussions 	<ul style="list-style-type: none"> Communicate with supplier through emails, meeting and site visit Evaluation and performance reviews of vendors and suppliers 	<ul style="list-style-type: none"> As and when required
 Employees	<ul style="list-style-type: none"> Employee health and safety Career development and advancement Communication and engagement Fair remuneration practices 	<ul style="list-style-type: none"> Performance appraisals Social events with employees Meetings and discussions Trainings 	<ul style="list-style-type: none"> Performance appraisal Awareness training session 	<ul style="list-style-type: none"> Annually Weekly As and when required
 Government & Regulatory Bodies	<ul style="list-style-type: none"> Regulatory compliance Approvals and permits Standards and certification 	<ul style="list-style-type: none"> Meetings and consultations Dialogues Audit and verification 	<ul style="list-style-type: none"> Ensure compliance with existing regulations and reporting requirement Meeting or dialogues with government bodies 	<ul style="list-style-type: none"> Annually Quarterly
 Local Communities	<ul style="list-style-type: none"> Community wellbeing Community initiatives 	<ul style="list-style-type: none"> Internship Corporate Social Responsibilities (“CSR”) engagement 	<ul style="list-style-type: none"> Engage with CSR initiatives and activities 	<ul style="list-style-type: none"> Annually
 Media/Analyst	<ul style="list-style-type: none"> Corporate development 	<ul style="list-style-type: none"> Corporate website 	<ul style="list-style-type: none"> Issue media release to announce significant events 	<ul style="list-style-type: none"> As and when required Quarterly

OUR MATERIAL MATTERS

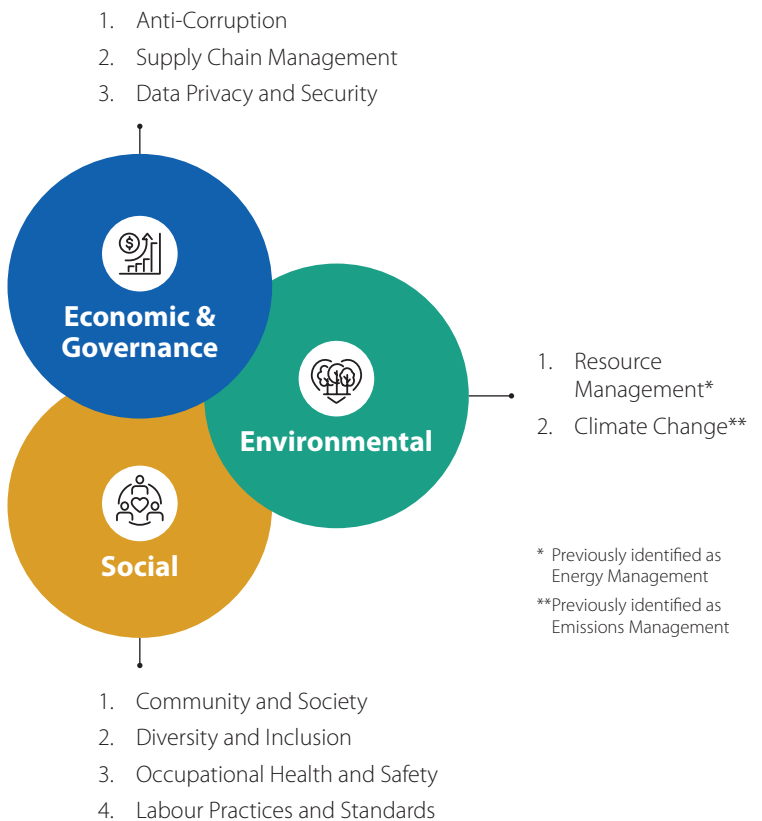


Identification of Sustainability Matters

KJTS operates within a distinctive operating environment as an integrated building support services provider specialising in cooling energy, cleaning and facilities management. Our primary impact on sustainability is driven by our role in enhancing energy efficiency for high-performance industries such as manufacturing, data centres and hospitality. Given the energy-intensive nature of cooling systems, our ability to implement District Cooling Plants and utilising Internet of Things (IoT)-driven heating, ventilation and air conditioning (HVAC) optimisations directly influences our clients' carbon footprints and our own operational resilience. Consequently, our sustainability matters are inextricably linked to technological innovation and the transition towards a low-carbon economy.

As per the Company's Sustainability Policy, our procedures stipulate that a formal materiality assessment is to be conducted once every three years. A formal materiality assessment was thus scheduled for 2025, during which we reviewed and identified key sustainability matters to guide our strategic focus and reporting. This assessment was conducted through an internal engagement process, whereby we held workshops and surveys with senior management and HODs to align the identified matters with our business strategy and operational priorities. In accordance with this, to better reflect our impact, we have refined our material matters from those identified in FYE 2023. This includes a transition towards Resource Management and Climate Change to align more closely with future requirements.

FYE 2025 Material Sustainability Matters



SUSTAINABILITY STATEMENT

Prioritisation of Material Sustainability Matters

In FYE 2025, KJTS applied a robust materiality concept to determine the relative importance of sustainability matters to our business and our stakeholders. This process moved beyond a simple identification of issues to a quantitative and qualitative weighting of each matter based on two primary dimensions:

1

Influence on Stakeholder Assessments and Decisions

The degree to which a matter affects the perception and decision-making of our key stakeholder groups.

(See Stakeholder engagement table on page 36)

2

Significance of Group Impact

The potential for KJTS to create a positive or negative impact on the economy, environment and society through our core services in cooling energy and facilities management.

Following the data collection phase, the results were plotted on a Materiality Matrix. In FYE 2025, the prioritisation was specifically influenced by KJTS's transition towards a more technology-driven service model and our regional expansion in Singapore and Thailand.

Matters were ranked as 'High', 'Medium', or 'Low' priority. Resource Management and Climate Change were identified this year, evolving from Energy Management and Emissions Management respectively, to enable more effective management of material topics and support a smoother transition to IFRS S2 climate-related disclosure requirements. This reassessment of our priorities has enabled us to place greater focus on these important areas, ensuring our sustainability efforts remain aligned to evolving reporting expectations.

Materiality Matrix



- 1 Anti-Corruption
- 2 Data Privacy and Security
- 3 Supply Chain Management
- 4 Resource Management
- 5 Climate Change
- 6 Health and Safety
- 7 Labour Practices and Standards
- 8 Diversity
- 9 Community/Society

Review and Validation of Process and Outcomes

Following this, the outcomes were presented to the Sustainability Committee and the BOD for final validation. This high-level oversight ensures that our material matters are integrated into our long-term business strategy and risk management framework.

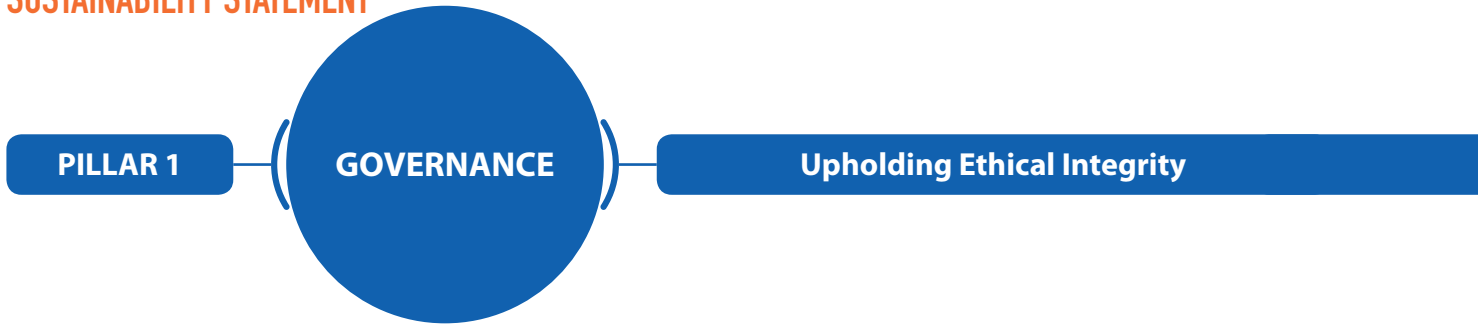
SUSTAINABILITY KEY PERFORMANCE INDICATORS

Our key performance indicators serve as the primary instrument through which we measure and monitor progress across our sustainability pillars. Regular evaluations against these targets enable us to track advancement and respond to emerging challenges, supporting the long-term resilience of our business.

In FYE 2025, we reviewed our sustainability performance targets to better reflect our current operational priorities and the evolving regulatory landscape. As part of this review, we have refined certain targets to ensure they remain practical and relevant to our business context. Where targets were not achieved, we have taken the opportunity to reassess our approach and set more considered directions for the year ahead, as reflected in the table below.

Material Topics	2025 Targets	2025 Achievements	2026 Targets
Anti-Corruption	<ul style="list-style-type: none"> To maintain zero corruption cases 	Achieved	<ul style="list-style-type: none"> To maintain zero corruption cases
Supply Chain Management	<ul style="list-style-type: none"> To prioritise spending on local supplier 	Achieved	–
Energy Management	<ul style="list-style-type: none"> To reduce electricity consumption 	Not Achieved <i>(Refer to Energy Management section write up)</i>	<ul style="list-style-type: none"> Establish a robust and scientifically grounded baseline to determine the most appropriate energy intensity matrix and calculation methodology
Emission Management	<ul style="list-style-type: none"> To reduce total carbon emission 	Not Achieved <i>(Refer to Emission Management section write up)</i>	<ul style="list-style-type: none"> Conduct in-depth studies to identify the optimal framework and measurement approach for emission management across operations
Community/Society	<ul style="list-style-type: none"> To increase investment in community engagement 	Achieved	<ul style="list-style-type: none"> Maintain last year's contribution level in community engagement
Diversity	<ul style="list-style-type: none"> Maintain at least 30% of female representation at Board level 	Achieved	<ul style="list-style-type: none"> Maintain at least 30% of female representation at Board level
Health and Safety	<ul style="list-style-type: none"> To reduce Lost Time Incident Rate (LTIR) Maintain zero fatality case 	<ul style="list-style-type: none"> Achieved Achieved 	<ul style="list-style-type: none"> Maintain LTIR rate from current year Maintain zero fatality case
Labour Practices and Standards	<ul style="list-style-type: none"> To decrease number of employee turnover To increase number of training hours per employee 	<ul style="list-style-type: none"> Not Achieved <i>(Refer to Labour Practices and Standards section write up)</i> Achieved 	<ul style="list-style-type: none"> – To set an average of 4.00 training hours per employee
Data Privacy and Security	<ul style="list-style-type: none"> Maintain zero cases of breaching customer privacy 	Achieved	<ul style="list-style-type: none"> Maintain zero cases of breaching customer privacy

SUSTAINABILITY STATEMENT



At KJTS Group, our governance framework is the bedrock upon which our environmental and social initiatives are built. We believe that robust corporate governance is not merely a compliance exercise but a strategic necessity that ensures the longevity and resilience of our business. Our commitment to ethical business conduct is reflected in our comprehensive suite of policies and the proactive oversight of our BOD.

ANTI-CORRUPTION

We are unwavering in our commitment to integrity and strict compliance with all applicable laws and regulations, guided by our Anti-Bribery and Anti-Corruption (“ABAC”) Policy and Code of Conduct and Ethics. This ABAC Policy applies to every employee in the Group and extends to all external parties performing work or services on our behalf, ensuring consistent integrity throughout our value chain.

This is reinforced by our Whistleblowing Policy that provides clear, accessible channels for all stakeholders to raise concerns of wrongdoing, unethical behaviour, or workplace grievances that could negatively impact our Group. We further reinforce this commitment by taking firm disciplinary action, including termination of business relationships, against those found violating our ABAC Policy. Embedding these principles not only safeguards our reputation but also promotes ethical business practices across all engagements.



Our ABAC and Whistleblowing Policy are available on our Group’s website:

<https://www.kjts.com.my/investor-relations/corporate-governance/>

Performance Summary

Indicator	FYE 2023	FYE 2024	FYE 2025
Confirmed cases of corruption	0	0	0
Legal actions/ fines for anti-competitive behaviour	0	0	0

DATA PRIVACY AND SECURITY

As we transition towards a more technology-driven service model utilising IoT-driven HVAC optimisations, the protection of data has become a high-priority material matter as we work to safeguard the information of our clients and partners across our regional operations in Malaysia, Thailand and Singapore.

The sensitivity of this matter stems from the nature of the data we handle, which includes client operational data, building system configurations and confidential contractual information. A breach or loss of such data could result in significant consequences, including disruption to client operations, reputational damage, erosion of stakeholder trust and potential regulatory and legal liability across the jurisdictions in which we operate.

To mitigate these risks, KJTS has in place a data protection framework guided by the requirements of Malaysia’s Personal Data Protection Act (PDPA), which governs the collection, processing and storage of personal data. Our internal policies and procedures are designed to ensure that all client and partner data is handled responsibly, stored securely and accessed only by authorised personnel. These measures are complemented by ongoing staff awareness and training to embed a culture of data responsibility across the organisation.

As our IoT-enabled service capabilities continue to expand regionally, we remain committed to strengthening our data governance practices in line with evolving regulatory requirements and industry best practices, ensuring that the trust placed in us by our clients and partners is upheld at every level of our operations.

Performance Summary

Indicator	FYE 2023	FYE 2024	FYE 2025
Substantiated complaints regarding customer privacy breached or data losses	0	0	0

SUPPLY CHAIN MANAGEMENT

Recognising that our sustainability impact extends through our entire value chain, we prioritise partnerships with vendors who share our commitment to ethical and sustainable practices. Fair and transparent sourcing practices enhances our reputation and attracts clients who value responsible business conduct.

Maintaining the highest standards of integrity, we require all suppliers to sign an Integrity Pledge, committing to our ABAC policy before joining our supplier network. In addition, we conduct technical comparisons to ensure that we select the most suitable suppliers for KJTS Group.

In addition, we maintain a strong focus on local procurement to bolster the domestic economy and reduce the environmental footprint associated with long-distance logistics.



Performance Summary

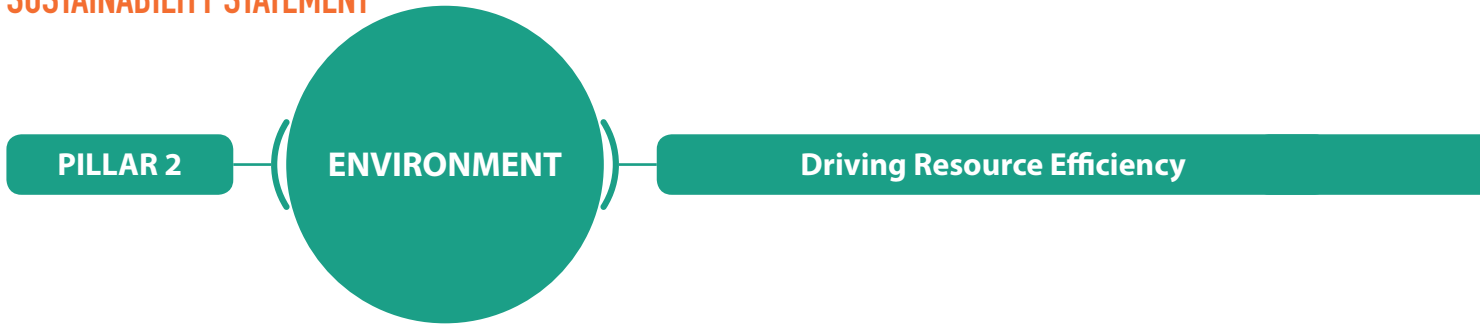
Indicator	FYE 2023	FYE 2024	FYE 2025
Percentage of spending on local suppliers	99.00%	99.58%	99.21%
Percentage of spending on foreign suppliers	1.00%	0.42%	0.79%

FUTURE OUTLOOK

Building upon our sustainable procurement foundation, we aim to enhance supplier engagement, transparency and accountability through initiatives such as ESG performance monitoring, supplier training programmes and the introduction of ESG clauses into our contractual agreements. These efforts will further align our procurement practices with global sustainability standards and support a more responsible supply chain ecosystem.



SUSTAINABILITY STATEMENT



At KJTS Group, our environmental strategy is defined by our role as an enabler of the energy transition. As a regional provider of integrated building support services, we recognise that our greatest impact lies in our ability to reduce the energy intensity of our clients’ operations while simultaneously managing our own environmental footprint.

SEGREGATING CLIENT EMISSIONS

A key principle of our environmental reporting is the clear delineation between KJTS’s own operational emissions and those associated with the facilities and buildings we manage on behalf of clients. Energy consumed by facilities, machinery and equipment that are operated or managed by KJTS, including those managed on behalf of clients, is included as part of KJTS’s energy consumption and is accounted for within our Scope 1 and Scope 2 emissions inventory, where applicable. Energy consumed within client-managed buildings including electricity billed directly to clients is classified as client-side consumption and is not consolidated.

This distinction is important to ensure that our reported footprint accurately reflects the emissions attributable to our own operations, rather than those of the broader portfolio of facilities under our management. Where KJTS procures or oversees energy supply on behalf of clients, such consumption is tracked separately and reported accordingly, in line with established greenhouse gas accounting principles.

KJTS Group also monitors and manages its own resource consumption across its office premises and directly operated facilities. Our focus are on electricity usage, which is tracked periodically to identify opportunities for reduction and improved efficiency.

OUR BROADER ENVIRONMENTAL ENABLEMENT ROLE

Beyond managing our own footprint, our services encompass establishing electricity frameworks, benchmarking energy usage and collecting data for effective energy management on behalf of clients. Through comprehensive audits, we help clients identify and address energy efficiency gaps, optimising usage and minimising environmental impact. Our District Cooling System (DCS) harnesses economies of scale, enabling energy efficiency across buildings with varying load demands.

Our approach continues to evolve in alignment with the Energy Efficiency and Conservation Act (EECA) 2024, ensuring that the facilities we manage meet the highest standards of resource optimisation.

RESOURCE MANAGEMENT

Energy Management

Energy efficiency management is a top priority for KJTS Group, allowing us to reduce operational costs while advancing environmental sustainability. By implementing efficient technologies and bespoke strategies, we enhance performance and ensure full compliance with regulatory standards.

KJTS Group proudly maintains the ISO 14001:2015 Environmental Management System certification. This globally recognised standard affirms our commitment to sustainable practices and robust environmental responsibility.



Energy Audits and Standards

In partnership with our clients, we conduct comprehensive energy audits to provide actionable insights into consumption. These audits enable the creation of customised solutions that align energy use with best practices for emissions reduction. Our technical approach is guided by the following standards:

Standard	Description
American Society of Heating, Refrigerating and Air-Conditioning Engineers (ASHRAE)	Provides uniform methods of testing and recommended practices for designing and installing HVAC equipment.
MyHijau Mark	Consolidates certified products and services that meet local and international environmental standards under a single mark.

Standard	Description
Air-Conditioning, Heating and Refrigeration Institute (AHRI)	Develops performance-based standards for equipment designed and manufactured by HVACR industry participants.
Malaysian Standards MS 1525:2019	Malaysian Standards providing technical guidelines to improve energy efficiency in non-residential buildings.

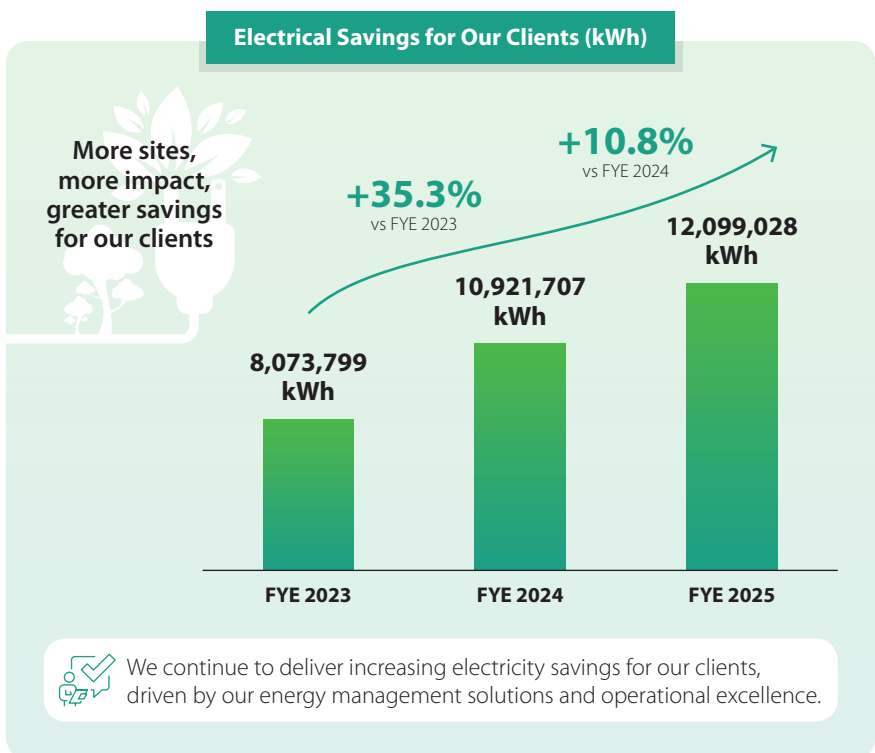
KJTS Group’s Electricity and Fuel Consumption

KJTS Group proactively tracks energy efficiency metrics, setting annual targets for energy reduction and measuring progress regularly. As we expanded our operational footprint in 2024 and 2025, we have remained transparent regarding our resource usage.

Indicator	FYE 2023	FYE 2024	FYE 2025
Electrical consumption (kWh)	22,987,175.01	26,843,752.19	32,643,530.00
Electrical savings for our clients (kWh)	8,073,799.00	10,921,707.00	12,099,028.00
Electrical consumption for KJTS-owned premises and facilities (kWh)	-	287,215.00	279,370.00
Fuel consumption (litre)	45,857.65	75,158.68	81,408.70

Partnering for Smarter Energy Use

During the year, KJTS further strengthened its operational footprint through the management of an expanded portfolio of client sites. The overall increase in electricity consumption was primarily driven by this expansion, in line with the additional facilities and equipment managed within our scope. Concurrently, the overall energy savings achieved for clients have also continued to increase, demonstrating that our facilities are designed to support optimal performance while delivering meaningful energy efficiency outcomes.



SUSTAINABILITY STATEMENT

Managing Our Own Use

Our own-use premises recorded a slight decrease in energy consumption compared to the previous year. We are continuing to analyse usage patterns to better understand underlying drivers and identify opportunities for improvement. This ongoing assessment will enable us to develop targeted, meaningful initiatives that deliver a more measurable impact on overall consumption. In parallel, we are looking into strengthening employee awareness and encouraging responsible energy-use behaviours, recognising that sustained improvements are supported not only by operational measures but also by collective behavioural change across the organisation.

CLIMATE CHANGE

Emissions management sits at the core of our environmental strategy. As regulatory expectations continue to tighten with the introduction of the Energy Efficiency and Conservation Act (EECA) 2024 and as stakeholder scrutiny of carbon performance intensifies, we recognise that disciplined emissions oversight is a business imperative.

Effective emissions management delivers benefits that extend well beyond compliance. By maintaining close oversight of our energy consumption and associated emissions, we are able to identify inefficiencies, reduce operating costs and strengthen the overall resilience of our operations.

Central to this effort is our use of technology to monitor emissions in real time across our operations, enabling more informed decision-making and continuous improvement.

Our impact, however, reaches further than our own operational boundaries. Through our Engineering, Procurement, Construction and Commissioning (“EPCC”) and upgrade projects across Malaysia and Thailand, we work alongside our clients to embed energy-efficient systems and low-carbon solutions into their facilities. This collaborative approach delivered meaningful electricity savings and carbon dioxide (CO₂) reductions for our clients throughout FYE 2025.

Internal Carbon Tracking

We have embedded a culture of energy consciousness into our daily operations. Our quality, health, safety and environment (QHSE) team leverages our Integrated Carbon & Energy Management Platform (“ICEP”) to quantify carbon emissions across all relevant sources, e.g.: electricity and fuel.

Technological Innovation

We utilise supervisory control and data acquisition (SCADA) systems, powered by IoT technology, to provide real-time insights into critical data such as plant efficiency and emissions. Furthermore, our DCS design minimises refrigerant usage, significantly reducing greenhouse impacts and setting new standards for sustainable cooling.

KJTS Group’s Greenhouse Gas Emissions by Scope

Category	Source	FYE 2023 (tCO ₂ e)	FYE 2024 (tCO ₂ e)	FYE 2025 (tCO ₂ e)
Scope 1	Emissions from vehicles and generator sets	125.29	201.85	224.79
Scope 2	Emissions from purchased electricity	16,586.61	19,624.08	22,428.63

The Group’s greenhouse gas emissions have risen in line with increased electricity and fuel consumption, driven by the expansion of our client portfolio and the growing number of facilities and equipment under our management scope.

CLIENT SAVINGS AND CO₂ AVOIDANCE

Our greatest contribution to a 1.5-degree Celsius world is the emissions we help our clients avoid through our EPCC and upgrade projects.

	FYE 2023 CO₂ Avoidance (tCO₂e)	FYE 2024 CO₂ Avoidance (tCO₂e)	FYE 2025 CO₂ Avoidance (tCO₂e)
Total	5,515	7,469	7,627

Note:

1. The tCO₂e avoidance figures for FYE 2023 and FYE 2024 have been revised accordingly after applying more accurate emissions factors for the respective regions, as well as appropriate unit conversion considerations.

KJTS continues to contribute to emissions reduction by delivering energy-efficient solutions through its EPCC and upgrade projects. This performance reflects the Group's ongoing commitment to supporting clients in reducing environmental impact, in line with broader sustainability objectives.



FUTURE OUTLOOK

Looking ahead, our emissions management focus will shift from foundational monitoring towards more structured target-setting and performance improvement. A key priority for 2026 is the establishment of an energy intensity baseline, which will allow us to set meaningful reduction targets and measure progress with greater precision.

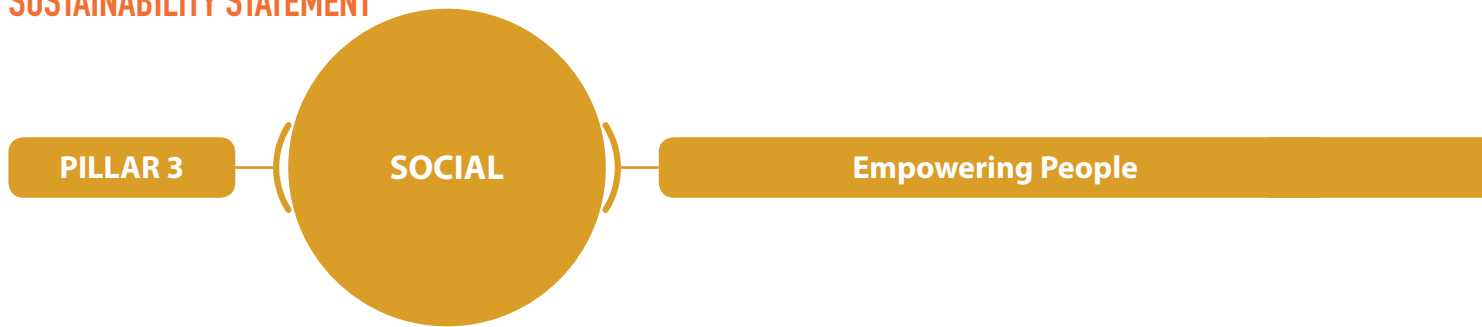
On the technology front, we will continue to expand the deployment of our ICEP platform across additional sites, deepening our real-time visibility over emissions sources and enabling faster identification of improvement opportunities. We are also exploring the feasibility of transitioning selected equipment and energy sources towards lower-emission alternatives as part of a longer-term decarbonisation pathway.

For our clients, our EPCC and upgrade pipeline for 2026 continues to incorporate energy management systems designed to deliver measurable efficiency gains. As demand for sustainable building solutions grows, we see an increasing opportunity to position our technical capabilities as a driver of both commercial growth and collective carbon reduction across the facilities we manage.

Growth with Responsibility. Impact for Our Clients.

As we expand our footprint, KJTS Group remains committed to delivering greater value to our clients by helping them save electricity, improve system efficiencies, and reduce their CO₂ emissions.

SUSTAINABILITY STATEMENT



At KJTS Group, people are at the heart of all we do. We recognise that our corporate resilience is inextricably linked to the well-being of the society in which we operate. By integrating social responsibility into our core strategy, we actively invest in community development, advocate for social inclusivity and support philanthropic initiatives that foster long-term prosperity.

Our social commitment extends to our internal workforce. With a dedicated workforce of over 1,433 professionals across Malaysia, Singapore and Thailand, our human capital is the core of our service delivery. Our team stands on the front lines, delivering the technical expertise and operational excellence that define our brand.

Through this dual focus on empowering our people and uplifting our communities, we ensure that KJTS Group remains a catalyst for positive, inclusive growth across the region.

OCCUPATIONAL HEALTH AND SAFETY (OSH)

Underpinning our workforce development is a steadfast focus on safety. We believe that a safe workplace is the foundation of a productive workforce. Our Occupational Health and Safety Management system is certified under ISO 45001, reflecting our deep-rooted commitment to a zero-harm environment.

We have transitioned from reactive reporting to a proactive safety culture. In FYE 2025, KJTS maintained its lost time incident rate at 0.33, reflecting the continued effectiveness of our enhanced training programmes and rigorous safety observation practices in sustaining a safe working environment across our operations.

Social Performance Data (GRI 400)

Metric	Unit	FYE 2023	FYE 2024	FYE 2025
Fatalities (Employees/Contractors)	Number	0	0	0
Lost Time Incident Rate (LTIR)	Per 200,000 hours	1.25	0.33	0.33
Total Workforce by Headcount	Headcount	1,116	1,479	1,433
Employee Turnover Rate	Percentage	41.22%	30.07% Overall	33.29% Overall
			2.30% Executive & above	3.00% Executive & above
			27.77 % Non-executive	30.29% Non-executive
Average Training Hours per Employee	Hours	2.74	2.31	3.11
Board Gender Diversity	% Female	33.33	33.33	33.33
Senior Management Gender Diversity	% Female	25.00	25.00	26.92

LABOUR PRACTICES AND STANDARDS

Our economic performance serves as the engine for our continued investment in sustainable technologies; however, this growth is only sustainable when underpinned by fair labour practices and robust ethical standards. We prioritise responsible expansion and local value creation across our regional footprint, recognising that protecting the rights and well-being of our workforce is essential to strengthening regional economies and mitigating supply chain risks. By aligning our operational growth with international labour benchmarks, we ensure that our economic success is shared by the people who power our technical solutions.

Human Rights and Supply Chain Due Diligence

In line with the UN Guiding Principles on Business and Human Rights, KJTS Group is formalising a dedicated Human Rights Due Diligence (HRDD) process.

We recognise that our supply chain requires constant vigilance, particularly for cleaning and non-technical staff. While our current local procurement spending of 99.21% helps minimise regional risks, we are enforcing stricter controls. In 2026, we will launch a formal Supplier Code of Conduct (SCoC), requiring all Tier 1 suppliers to undergo screening against environmental, labour and anti-corruption criteria.

Employee Retention & Workforce Stability

KJTS Group recognises that workforce stability is essential to maintaining service quality and operational continuity across all our operations. Our people represent a key source of technical expertise and operational knowledge that supports the delivery of our integrated building support services.

In FYE 2025, employee turnover exceeded the Group's target. The increase is largely driven by our subsidiaries with labour intensive operations such as cleaning services. These roles tend to have higher attrition rates due to the nature of the work and industry norms. In addition, there is also strong demand for technical talent across all our energy management and facilities management sector, which has intensified competition for experienced personnel. The Group recognises this as an area requiring ongoing attention and has implemented several initiatives during the year to strengthen employee retention, engagement and workforce stability.

The Group Human Resources function implemented several initiatives to strengthen employee retention and engagement. The Group compensation and benefits structure has been reviewed with updates incorporated into the prevailing Employee Handbook to ensure transparency and alignment with current employment practices. Career development remains a key focus, supported through training and development programmes designed to enhance employees' professional capabilities and provide opportunities for advancement within the organisation.

Employee contributions are recognised through performance-based bonuses and annual salary increments, reinforcing a culture that rewards performance and commitment.

To promote employee engagement, the Group organised a range of activities including sports programmes, festive celebrations and the annual company dinner. These initiatives provide opportunities for interaction between employees and senior management while strengthening team cohesion across the organisation.

Structured onboarding and orientation programmes are conducted for new employees to provide clarity on the Group's vision, mission and organisational culture, as well as HR policies, job roles and expectations. Throughout the employment lifecycle, employees participate in performance management processes that include regular reviews, constructive feedback and development planning.

In addition, exit interviews are conducted with departing employees to gather feedback and identify areas for improvement in the Group's workforce management practices.

Employee Welfare & Social Protection

Beyond our formal labour standards, we maintain a resolute emphasis on the personal well-being of our workforce, providing critical aid during times of personal crisis or natural disaster. In 2025, we provided the following aid to employees in need:

- **Employee Compassionate Aid:** RM5,000 was provided to a staff member following the tragic loss of a child to respiratory failure and Spinal Muscular Atrophy (SMA) Type 1.
- **Employee Disaster Relief Aid:** RM1,000 was allocated to an employee to provide immediate financial relief after his home was severely affected by flood damage.

SUSTAINABILITY STATEMENT

DIVERSITY

To sustain our business resilience and amplify our community impact, we rely on a diverse, highly skilled and multi-generational workforce. We foster an inclusive workplace culture that transcends mere representation; we value the unique perspectives that arise from different backgrounds, experiences and stages of life.

Our commitment to diversity is reflected in our progress across three key pillars:

- **Gender Equality:** We remain steadfast in our commitment to gender diversity, maintaining at least 30% female representation at Board level in 2025. We believe that sustaining the presence of women in leadership roles is fundamental to balanced decision-making and an inclusive organisational culture.
- **Intergenerational Synergy:** Our workforce comprises a dynamic mix of experienced industry veterans and emerging young talent. By maintaining a healthy age balance, we facilitate the transfer of technical “know-how” while embracing the digital innovation brought by the next generation.
- **Ethnic and Cultural Inclusion:** Operating across Malaysia, Thailand and Singapore, we celebrate the cultural diversity of our local teams. We ensure equal opportunity for professional growth, ensuring that our technical staff remain at the cutting edge of energy management technology through an average of 3.11 training hours per employee.

COMMUNITY AND SOCIETY

Our commitment to social equity is demonstrated through community initiatives that extend beyond financial contributions; we are committed to active participation in social development. In 2025, the Group significantly increased its philanthropic outreach, investing a total of RM54,000 to support health, education and social inclusivity.

2025 Philanthropic Initiatives

Programme	Objective/Purpose	Amount (RM)
Sunway University/AMSET 2025	Sponsorship of International Conference on Advanced Materials & Sustainable Energy Technologies.	5,000
KL Football Association	Gold sponsorship for the 50 th Anniversary to support local sports and community engagement.	25,000
KL Open Tennis Championship	Supporting regional athletic excellence through the KL Lawn Tennis Association.	5,000
Kiwanis Club of Petaling Jaya	Support for the 13 th Charity Golf Tournament, benefiting various social development projects.	8,000
Yayasan Budi Penyayang Malaysia	Contribution to aid diverse community welfare programmes.	10,000
Rumah Insaniah Tun Dr. Siti Hasmah	Support for rehabilitation and welfare for persons with disabilities.	1,000
TOTAL CONTRIBUTION		RM54,000

Apart from philanthropic efforts, the Group supported the community through volunteer work. We collaborated with Majlis Bandaraya Pulau Pinang (“MBPP”) to conduct free training titled “Kursus Tatacara Pembersihan Tandas dan Pejabat”. The two-day session took place on 4 and 5 November 2025. The training focused on teaching proper hygiene and cleaning practices to 63 MBPP public cleaning staff.

Photos from the MBPP training session



Summary of Community Impact

Indicator	FYE 2023	FYE 2024	FYE 2025
Total Community & Social Contribution	RM22,080.50	RM23,100	RM54,000
Total Number of Beneficiaries	4	4	7

This level of community contribution reflects KJTS Group’s sustained dedication to making a tangible, positive impact on society, reinforcing our commitment to being a responsible corporate citizen across the communities in which we operate.

FUTURE OUTLOOK

As KJTS Group continues to scale its regional operations, we recognise that the social landscape is evolving. Our “Future-Focused” strategy for 2026 and beyond centres on three key mitigation and growth areas:

- Closing the Skills Gap:** As we implement more IoT and Artificial Intelligence (AI) driven energy solutions, we will launch advanced technical certification programmes for our engineers to mitigate the risk of technological displacement.
- Supply Chain Resilience:** We will move beyond simple vendor screening to active “capacity building” for our local suppliers, helping them meet our high ESG standards.
- Data-Driven CSR:** We aim to transition from one-off philanthropic donations to community partnerships with measurable social “S-ROI” (Social Return on Investment), ensuring every Ringgit spent creates a verifiable impact.

SUSTAINABILITY STATEMENT

BURSA MALAYSIA'S PRESCRIBED TABLE

Date & Time: 2026-04-17 09:56:25
FYE 31/12/2025

KJTS Group Berhad
BMLR Transition Period

Sustainability Matter	Metric	Measurement Unit	2025	Target	Assurance
Anti-Corruption	Number of confirmed corruption cases	Number of cases	0	Maintain zero corruption cases	Internal
Anti-Corruption	Number of legal actions or fines for anti-competitive behaviour	Number of cases	0	Maintain zero legal actions or fines related to anti-competitive behaviour	Internal
Supply Chain Management	Percentage of procurement from local suppliers	%	99.21	-	Internal
Energy Management	Total electricity consumption across operations	kWh	32,643,530.00	Establish a robust and scientifically grounded baseline to determine the most appropriate energy intensity matrix and calculation methodology	Internal
Emission Management	Greenhouse Gas Emissions - Scope 1	tCO ₂ e	224.79	Conduct in-depth studies to identify the optimal framework and measurement approach for emission management across operations	Internal
Emission Management	Greenhouse Gas Emissions - Scope 2	tCO ₂ e	22,428.63	Conduct in-depth studies to identify the optimal framework and measurement approach for emission management across operations	Internal
Community / Society	Total Community & Social contribution	RM	54,000	Maintain last year's contribution level in community engagement	Internal
Community / Society	Total Number of Beneficiaries	Beneficiaries	7	Maintain last year's contribution level in community engagement	Internal
Diversity	Female representation at Board level	%	30	Maintain at least 30% of female representation at Board level	Internal
Diversity	Female representation in senior management	%	26.92	-	Internal

KJTS Group Berhad

BMLR Transition Period

Date & Time: 2026-04-17 09:56:25
FYE 31/12/2025

Sustainability Matter	Metric	Measurement Unit	2025	Target	Assurance
Health & Safety	Number of fatalities (employees- /contractors)	Number of fatalities	0	Maintain zero fatality cases	Internal
Health & Safety	Lost Time Incident Rate (LTIR)	Rate per 200,000 hours worked	0.33	Maintain LTIR rate from current year	Internal
Labour Practices and Standards	Total workforce headcount	Number of headcount	1433	Maintain stable workforce and operational capacity	Internal
Labour Practices and Standards	Employee turnover rate - Overall	%	33.29	Reduce employee turnover rate through improved retention strategies	Internal
Labour Practices and Standards	Average training hours per employee	Hours/employee/year	3:11	To set an average of 4.00 training hours per employee	Internal
Data Privacy & Security	Number of data breach incidents	Number of cases	0	Maintain zero cases of breaching customer privacy	Internal

POSITIONED FOR EXCELLENCE, POWERED BY EXPERTISE

Our growth is driven by deep technical expertise and a disciplined performance culture, enabling us to deliver reliable, high-quality utility solutions while nurturing the next generation of industry talent.

> ANNUAL REPORT 2025

CORPORATE GOVERNANCE

- 54 Corporate Governance Overview Statement
- 65 Additional Compliance Information
- 69 Nominating Committee Report
- 71 Remuneration Committee Report
- 73 Long-Term Incentive Plan Committee Report
- 74 Statement on Risk Management and Internal Control
- 79 Audit and Risk Management Committee Report
- 82 Statement of Directors' Responsibility



CORPORATE GOVERNANCE OVERVIEW STATEMENT

The Board of Directors (“Board”) of KJTS Group Berhad (“Company”) is pleased to present the Corporate Governance Overview Statement (“Statement”) for the financial year ended 31 December 2025 (“FYE 2025”), which has been prepared in alignment with the Malaysian Code on Corporate Governance 2021 (“MCCG”) issued by the Securities Commission Malaysia on 28 April 2021, ACE Market Listing Requirements (“ACE LR”) of Bursa Malaysia Securities Berhad (“Bursa Securities”) and the Bursa Malaysia Corporate Disclosure Guide.

The Board recognises the importance of corporate governance in promoting business prosperity and corporate accountability to protect and enhance shareholders’ value as well as the interests of the Company and its subsidiaries (“Group”).

The Board is committed to instilling and upholding good corporate governance (“CG”) practices throughout the Group in accordance with the principles and practices of the MCCG towards achieving corporate excellence and sustainability-related disclosure principles as set out in International Financial Reporting Standards (IFRS) S2.

The Statement provides an overview of the CG approach and a summary of CG practices adopted by the Company for the FYE 2025 by making reference to the following three (3) key principles as set out in the MCCG:

Principle A	Board Leadership and Effectiveness;
Principle B	Effective Audit and Risk Management; and
Principle C	Integrity in Corporate Reporting and Meaningful Relationship with Stakeholders.

This Statement, which was approved by the Board, shall be read together with the Corporate Governance Report 2025 (“CG Report”) of the Company which provides the details on how the Company has applied, or departed from, each CG practice.

The CG Report is available on the Company’s website at www.kjts.com.my and via an announcement on the website of Bursa Securities.

PRINCIPLE A

BOARD LEADERSHIP AND EFFECTIVENESS

1. BOARD RESPONSIBILITIES

Role of the Board

The Board takes full responsibility for the performance of the Group and leads the Group towards a 3-fold target of achieving its short and long-term objectives, setting corporate strategies for growth and new business development as well as corporate values and culture to achieve long-term sustainability of the business, for the benefit of its stakeholders.

In order for the Board to discharge its functions and responsibilities effectively, the Board has delegated the day-to-day operations of the Group to the Group Managing Director (“GMD”), Group Executive Director (“GED”) and Key Senior Management (“KSM”), who manage the Group in accordance with the strategies and policies approved by the Board and has delegated specific authorities and responsibilities to Audit and Risk Management Committee (“ARMC”), Nominating Committee (“NC”), Remuneration Committee (“RC”) and Long-Term Incentive Plan Committee (“LTIPC”), collectively known as “Board Committees”.

The Board had on 26 February 2026 approved the separation of ARMC to Audit Committee (“AC”) and Risk Management Committee (“RMC”) and the combination NC and RC into a single committee known as Nomination and Remuneration Committee (“NRC”).

The roles and responsibilities of the Board are summarised as follows:

- (i) Together with management, promoting good CG culture within the Group, reinforcing ethical, prudent and professional behaviour;
- (ii) Reviewing and setting up a strategic plan for the Group that supports long-term value creation and includes strategies on economic, environmental and social considerations underpinning sustainability;
- (iii) Reviewing, challenging and deciding on management’s proposals for the Group and monitoring its implementation by management;
- (iv) Overseeing the conduct of the Group’s business to ensure it is properly managed, including supervising and assessing corporate behaviour, management performance and conduct of the business of the Group;
- (v) Identifying the principal risks and ensuring implementation of appropriate internal controls and mitigation measures to achieve a proper balance between risks incurred and potential returns to the shareholders;
- (vi) Reviewing the information and risk management and internal control system and the effectiveness of the management;

- (vii) Ensuring there is an orderly succession of senior management positions who are of high calibre and have the necessary skills and experience. The Board delegates to the NC and RC to review succession plans and remuneration packages for the Directors respectively as well as the Group's policies and procedures on remuneration. The Board also ensures that there are appropriate policies for training, appointment and performance monitoring of management positions;
- (viii) Developing and implementing an investor relations programme or shareholders' communications policy for the Group to enable effective communication with stakeholders;
- (ix) Reviewing and approving financial statements;
- (x) Reviewing and approving the Company's annual report;
- (xi) Ensuring the integrity of the Company's financial and non-financial reporting; and
- (xii) Undertaking a formal and objective annual evaluation to determine the effectiveness of the Board, the Board Committees and each individual Director.

Separation of the Chairman, Group Managing Director and Group Executive Director Roles

The Board is led by Azura Binti Azman, the Independent Non-Executive Chairman, who is responsible for marshalling the effective functioning of the Board, including the collective oversight of management, with a keen focus on governance and compliance. In turn, the Board monitors the functions of the Board Committees in accordance with their respective Terms of Reference ("TOR"), to ensure its own effectiveness.

The Chairman is not a member of the ARMC, NC, RC and LTIPC of the Company since the date of her appointment.

Mr Lee Kok Choon, our GMD, is responsible for the overall performance of our Group's business by driving business growth, overseeing our Group's business operations, supervising heads of department, planning, formulating and implementing our Group's strategies as well as liaising with stakeholders and providing technical and financial advice to the business operations of our Group.

Mr Sheldon Wee Tah Poh, our GED, is responsible for formulating business plans, directing organisational strategy, business development, expansion and overseeing our Group's marketing and communications direction, developing organisational culture, as well as overseeing day-to-day activities, reporting on revenue, improving performance and assisting in managing the corporate finances of our Group.

The Board appreciates the distinct roles and responsibilities of the Chairman, GMD and GED, and the segregation of their roles and responsibilities is clearly stated in the Company's Board Charter to ensure that a balance of power and authority is maintained.

Board Committees

The Board has established the following Board Committees to carry out the Board's mandates by examining specific issues within the respective approved TOR. The Board Committees carry out their respective decision mandates as allocated by the Board and, where applicable, report to the Board with their recommendations for matters falling under the Board's purview. The TOR of the Board Committees are available for reference on the Company's website at www.kjts.com.my.

Audit and Risk Management Committee

- Oversee the Group's financial reporting, including but not limited to reviewing quarterly results and audited financial statements of the Group, with the External Auditors.
- Establish a sound risk management and internal control framework for the Group and ensure effective implementation of risk mitigation plans.
- Review and monitor Related Party Transactions ("RPT"), Recurrent RPT and Conflict of Interest ("COI") situations that may arise within the Group.

The ARMC was separated into AC and RMC effective 26 February 2026 to enhance focus and effectiveness. The AC focuses on financial reporting, internal controls and the integrity of financial statements. It ensures the independence and objectivity of the external auditor. Whilst the responsibility for monitoring the effectiveness of the Group's risk management and internal control system has been delegated to the RMC, the Board retains ultimate responsibility for determining the Group's "risk tolerance" and annually considers a report in relation to the monitoring, controlling and reporting of identified risks and uncertainties of the Group.

Nominating Committee

To support and advise the Board in fulfilling their responsibilities in overseeing the selection and also assessment of the performance of the Directors, Board Committees and KSM on an on-going basis.

Remuneration Committee

To support and advise the Board with reviewing the remuneration framework, policy and procedures for Directors and KSM and to recommend the remuneration package to the Board as a whole for approval.

The NC and RC was combined into one single committee known as NRC effective 26 February 2026. This integration streamlines governance, reduces duplication and strengthens accountability while ensuring director appointments and remuneration practices are considered together under a unified leadership framework.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

Long-Term Incentive Plan Committee

To provide assistance to the Board in implementing and administering the Long-Term Incentive Plan ("LTIP") of the Company in accordance with the by-laws of the LTIP.

The composition, authority, duties and responsibilities of each Board Committee are set out in the TOR of the respective Board Committees which were adopted by each Board Committee and endorsed by the Board to ensure effective and efficient decision-making within the Group. The TOR of each Board Committee is available on the Company's website at www.kjts.com.my.

All Board Committees are actively engaged in overseeing the governance matters within their TOR. Each Board Committee is provided with the authority and adequate resources, which include amongst others, to obtain external professional advice at the expenses of the Company in performing its duties. They evaluate and recommend matters under their purview for the Board's consideration and decision-making. The Board receives updates from the respective Chairman of the Board Committees on matters that have been discussed and deliberated at the respective meetings.

Company Secretary

The Board is supported by competent and qualified Company Secretaries, who play a vital role in advising the Board in relation to the Company's Constitution, the Board's policies and procedures, and compliance with the applicable laws and regulations as well as ensuring the Board's application of the CG practices. The Company Secretaries further assisted the Board in effectively discharging its leadership role, fiduciary duties and governance stewardship. All Directors have unrestricted access to the advice and services of the Company Secretaries for the purpose of the conduct of the Board's affairs and the business.

Ms Choo Sook Fun resigned on 31 July 2025 and the current Company Secretary, Nur Shahfaiza Md Yusoff is qualified to act as company secretary under Section 235(2) of the Companies Act 2016 and an Associate member of the Malaysian Institute of Chartered Secretaries and Administrators.

The Company Secretary ensures that the discussions and deliberations at the Board and Board Committees' meetings are well documented and subsequently, communicated to the Management for its next course of actions, as well as updating the Board on the follow-up taken by the Management of its decisions and recommendations. The Company Secretary further ensures that the Board is regularly updated and kept abreast of the latest developments in CG, ACE LR of Bursa Securities, directives and circulars from Bursa Securities as well as other legal and regulatory developments. The roles and responsibilities of the Company Secretary is also stated in the Board Charter of the Company.

In order to contribute and operate effectively, the Company Secretary keeps herself abreast with the relevant CG and regulatory requirements by undertaking continuous professional development.

Board Charter

The Board had on 27 August 2025 revised the Board Charter. The Board Charter outlines the roles and responsibilities of the Board, Board Committees, individual Directors and management.

The Board Charter also serves to provide guidance and clarity for the Board in overseeing the progression of strategic plans and overall performance of the Group while fulfilling its fiduciary duties and leadership functions. In order to retain control of key decisions and ensure a clear division of responsibilities, the Board Charter sets out the matters reserved for Board's decision, to ensure that the direction and control of the Group are firmly in the hands of the Board.

The Board Charter is subject to periodical review by the Board to reflect the current needs and nuances of the Company and is accessible on the Company's website at www.kjts.com.my.

Code of Conduct and Ethics

The Code of Conduct and Ethics which was adopted by the Board on 1 December 2022 enhance the standards of CG of the Group and promote ethical conduct in the managing of business. The Code of Conduct and Ethics shall be observed by all Directors, management and all employees of the Group in discharging their duties and responsibilities. The Code of Conduct and Ethics is available on the Company's website at www.kjts.com.my.

Anti-Bribery and Anti-Corruption Policy

In response to the introduction of corporate liability to the Malaysian commercial organisations for corruption under the Malaysian Anti-Corruption Commission Act 2009, the Board had established an Anti-Bribery and Anti-Corruption ("ABAC") Policy that sets out the Group's principles and stance and adequate procedures against corruption and/or bribery activities in the conduct of its businesses.

The ABAC Policy, which was adopted by the Board on 1 December 2022 comprises key policies and procedures that address the Group's corruption risks and together with general internal controls of the Group which are aimed to mitigate corruption risks of the Group. The ABAC Policy will be reviewed by the Board as often as necessary.

The ABAC Policy is available on the Company's website at www.kjts.com.my.

Whistleblowing Policy

The Board had put in place a Whistleblowing Policy which provides a mechanism for any employee of the Group as well as external parties to report genuine concerns relating to any malpractice or improper conduct of the Group's businesses.

The Whistleblowing Policy is available on the Company's website at www.kjts.com.my.

Sustainability Strategies

The Board takes into consideration sustainability issues when it oversees the planning, performance and long-term strategy of the Group and views the commitment to do so as part of its broader responsibility to all its various stakeholders and the communities in which it operates.

The Board is committed to staying abreast with sustainability practices associated with the ever-evolving operating environment which is relevant to its business. During the FYE 2025 the Board received updates on the progress of the Group's Environmental, Social and Governance ("ESG") journey from the GMD and was briefed on the changes of the ACE LR of Bursa Securities pertaining to sustainability reporting requirements from the Company Secretary.

The Group's efforts to promote sustainable initiatives for the communities in which it operates, the environment and the employees are set out in the Sustainability Statement on pages 34 to 51 of this Annual Report.

Access to Information and Independent Professional Advice

All Directors, whether as a full Board or in their individual capacity shall have unrestricted access to management on any information pertaining to the Group, including access to the advice and services of the Company's auditors and consultants. The Company Secretary is also entitled to obtain independent professional advice, which is relevant to the furtherance of their duties and responsibilities as Directors of the Company at the expense of the Company.

2. BOARD COMPOSITION

The composition of the Board comprises a strong mix of six experienced individuals with four of the Board members being Independent Non-Executive Directors ("INEDs"), including the Chairman and the rest being GMD and GED. None of the Board members is a person linked directly with the executive branch of government such as heads of state, heads of government and ministers and none of the Board members is an active politician.

The Board comprises members from diversified backgrounds in terms of age and expertise. Their professional acumen range from corporate, legal and accounting to industry experience in building support services. Our Board is currently confident of the diversity in skills, experience, age, cultural background and gender in its composition.

With the present composition of the Board, the Company is in compliance with Rule 15.02(1) of the ACE LR of Bursa Securities which requires at least two directors or one-third of the Board, whichever is higher, are Independent Directors and one director of the listed corporation is a woman. The Company also applies Practices 5.2 and 5.9 of the MCCG which stipulates that at least half of the Board comprises Independent Directors and the Board comprises at least 30% women directors, respectively.

The Directors are of the opinion that the current Board size and composition is appropriate for the scope and nature of the Group's business and operations and for facilitating effective discussions and decision making. Further, the Board is able to discharge their duties professionally and effectively, uphold good governance standards in the conduct of their duties and responsibilities.

No individual or group dominates the Board's decision making. The Board maintains an appropriate balance of expertise, skills and attributes amongst the Directors, which is reflected in the diverse backgrounds and competencies of the Directors.

The Board is satisfied with the level of time committed by its members in discharging their duties and roles as Directors of the Company. All the Directors of the Company do not hold more than five directorships in listed issuers in Malaysia as stipulated in Rule 15.06 of the ACE LR of Bursa Securities. A brief profile of each Director is presented in the Directors' Profile section on pages 12 to 17 of this Annual Report.

The composition and size of the Board are reviewed periodically to ensure their appropriateness.

Re-election of Directors

Pursuant to Clause 78 of the Company's Constitution, Directors appointed during the year by the Board shall hold office until the next AGM and shall then be eligible for re-election. In accordance with Clause 76(3) of the Company's Constitution, at least one-third of the Directors shall retire from office at every Annual General Meeting ("AGM"). All Directors shall retire from office at least once every three years but shall be eligible for re-election.

The Directors who are seeking re-election are subject to Directors' assessment by the NC.

The NC had conducted the assessment on Azura Azman and Lee Kok Choon (collectively, "Retiring Directors"), the Directors standing for re-election at the Company's forthcoming AGM and agreed that they met the criteria of character, experience, integrity, competence and time to effectively discharge their respective roles as the Directors as prescribed by the ACE LR of Bursa Securities. The NC had also conducted fit and proper assessment on the Retiring Directors and was satisfied with the outcome of the assessments. The Retiring Directors had provided the fit and proper declarations in accordance with the Directors' Fit and Proper Policy to the Company. The said policy was adopted by the Company on 1 December 2022, which can be referred from the Company's website at www.kjts.com.my.

The Board concurred with the findings of the NC, recommends and supports the re-election of the Retiring Directors, who are seeking for re-election pursuant to Clause 76(3) of the Company's Constitution at the forthcoming AGM.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

Independence of the Board

The INEDs of the Company are not involved in the day-to-day management of the Group but contribute their own particular expertise and experience, and provide unbiased and impartial opinion, advice and judgement in the development of the Group's overall business strategy, which are essential to ensure the interests of the Group, shareholders, employees, customers and other stakeholders in which the Group conducts its businesses are well represented and taken into account. Their participation as members of the Board Committees has contributed towards the enhancement of the CG and controls of the Group.

The Board assesses the independence of the INEDs on an annual basis via Independent Directors' Self-Assessment Form by taking into account the individual Director's ability to exercise independent judgement at all times. All the INEDs of the Company met the relevant criteria for independence as defined under Rule 1.01 and Guidance Note 9 of the ACE LR of Bursa Securities.

The Board is satisfied with the level of independence demonstrated by all the INEDs and their ability to act in the best interests of the Company. None of the INEDs has engaged in the management of the Group and is free from any business or other relationships which may interfere with the exercise of their independent judgement.

The Board is aware of the recommended tenure of an Independent Director which should not exceed a cumulative term of nine years. None of the existing INEDs have served the Board for a cumulative period of nine years. Nevertheless, in the event if the Board wishes to retain an Independent Director upon completion of nine years terms, the Board would seek the shareholders' approval.

Boardroom Diversity

The Board recognises that having a range of different skills, backgrounds, experience and diversity are essential to ensure a broad range of viewpoints to facilitate optimal decision making and effective governance. Currently, there are two female Directors out of six Directors on the Board, which constitutes 33.33% female representation on the Board. Following this, the Board is applying to Practice 5.9 of the MCCG that states a Board should have at least 30% of women directors on the Board.

The selection criteria of a Director includes competencies, skills, extensive experience and knowledge to strengthen the Board, while the Company work towards achieving the appropriate boardroom diversity.

The Group takes diversity not only in the boardroom but also in the workplace as it is an essential measure of good governance, critically attributing to a well-functioning organisation and sustainable development of the Group. The Group is committed to maintaining an environment of respect for people regardless of their gender in all business dealings and achieving a workplace environment free of harassment and discrimination based on gender, ethnicity, nationality, religion, age or family status. The Board has on 1 December 2022 adopted a Gender Diversity Policy, which can be referred from the Company's website at www.kjts.com.my.

Board Meeting

The Board meets regularly, at least once in every quarter, to review and approve the Group's quarterly financial results and reports and annual financial statements. Additional or special Board meetings may be convened as and when necessary to consider and deliberate on any urgent proposals or matters which require the Board's expeditious review or consideration.

All Board approvals sought are supported with all the relevant information and explanations required for informed decisions to be made.

A total of five Board meetings were held during the FYE 2025 as follows:

Directors	Meeting Attended
Azura binti Azman (Chairman)	5/5
Lee Kok Choon	5/5
Sheldon Wee Tah Poh	5/5
Ng Kok Ken	5/5
Elaine Law Soh Ying	5/5
Dr. Teoh Pek Loo	5/5

The Board is satisfied with the level of commitment given by the Directors in carrying out their duties and responsibilities which is evidenced by the attendance record of the Directors at the Board meetings held during the FYE 2025. In order to ensure the attendance of the Directors at the Board and Board Committee meetings, the annual meeting schedule for the Board and Board Committee meetings is circulated in advance before the commencement of the financial year to facilitate the Directors' planning.

The Company Secretary strives to circulate the notice and meeting documents at least five business days prior to the scheduled meetings to allow Directors to have sufficient time to review and obtain further clarification, if necessary. The proceedings of the Board meetings are conducted in accordance with a structured agenda to enable focused and constructive deliberation at meetings. During the Board meetings, KSM are invited to present and explain reports for the Board's deliberation and approval.

Directors are required to inform the Board of COI or potential COI they may have in relation to particular items of business transacted by the Group or the Company as soon as practicable after the relevant facts have come to his/her knowledge. The interested Directors should abstain themselves from deliberation or decisions on matters in which they have conflicting interests.

The Chairman ensures that the Board Committee meetings are not combined with the main Board meeting to enable objective and independent discussion during the meetings.

All proceedings of the Board meetings are minuted by the Company Secretary. The minutes will be circulated to the Board for review and comments within a reasonable timeframe prior to the confirmation at the following Board meeting.

The Board members ensure that the minutes of meetings accurately reflect the deliberations and decisions of the Board, including whether any Director abstains from voting or deliberating on a particular matter.

In the intervals between Board meetings, any matters requiring urgent Board decisions and/or approvals will be sought via written resolutions which are supported with all the relevant information and explanations required for an informed decision to be made.

Directors' Continuous Professional Development

All members of the Board have attended the Mandatory Accreditation Programme I and Mandatory Accreditation Programme II as prescribed by the ACE LR of Bursa Securities prior to the Company's listing on the ACE Market of Bursa Securities.

The Board is mindful that all of the Directors shall receive appropriate trainings from time to time to equip and keep themselves abreast of the latest developments in order to discharge their duties and responsibilities more effectively.

The Directors are encouraged to evaluate their own training needs on a continuous basis and to determine the relevant programmes, seminars, briefings or dialogues available that would best enable them to enhance their knowledge and contributions to the Board.

The details of training attended by the Directors during the FYE 2025 are as follows:

Name of Directors	Training Date	Training/Courses Attended
Azura binti Azman	27 th February 2025	Conduct of Directors and Common Breaches of Listing Requirements
	6 th June 2025	Anti Bribery & Anti Corruption Awareness Programme
	29 th September 2025	Audit Committee Conference 2025
	13 th to 14 th October 2025	Corporate Finance for Non-Finance Directors
	28 th October 2025	National Sustainability Reporting Framework Symposium
	4 th November 2025	Navigating AMLA Risks: The Strategic Role of the Board
	5 th November 2025	ASEAN Capital Markets Forum International Conference
Elaine Law Soh Ying	13 th to 14 th October 2025	Corporate Finance for Non-Finance Directors
	13 th November 2025	Trademark Agent Renewal Course
Ng Kok Ken	19 th to 23 rd May 2025	Malaysia AI + Digital Business CEO Programme
Dr Teoh Pek Loo	13 th to 14 th October 2025	Corporate Finance for Non-Finance Directors
Lee Kok Choon	16 th October 2025	The Unspoken Series: Untold Insights. Futureproof Businesses
	25 th November 2025	From Trillions to Tomorrow
Sheldon Wee Tah Poh	NIL	NIL

Sheldon Wee Tah Poh was unable to attend any training programmes during the financial year due to a demanding schedule and work commitments. Nevertheless, Sheldon Wee Tah Poh remains committed to continuous professional development and will attend relevant programmes when available.

Apart from attending training programmes and workshops, the Board receives updates of the ACE LR of Bursa Securities from the Company Secretary from time to time. The External Auditors also briefed the Directors on any changes to the Malaysian Financial Reporting Standards that would affect the Group's financial statements during the FYE 2025.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

3. NOMINATING COMMITTEE AND REMUNERATION COMMITTEE

The Board has on 1 December 2022 established the NC and RC to assist the Board in ensuring the continuity of an effective Board. The NC and RC comprises solely INEDs as follows:

Nominating Committee

Chairman	Dr. Teoh Pek Loo
Members	Elaine Law Soh Ying Ng Kok Ken

Details of the function of the NC and summary of activities for the FYE 2025 are stipulated in the NC Report on page 69 of this Annual Report.

Remuneration Committee

Chairman	Elaine Law Soh Ying
Members	Ng Kok Ken Dr. Teoh Pek Loo

Details of the function of the RC and summary of activities for the FYE 2025 are stipulated in the RC Report on page 71 of this Annual Report.

The NC and RC were combined into one single committee known as NRC effective 26 February 2026. The NRC composition is as follows:

Chairman	Elaine Law Soh Ying
Members	Ng Kok Ken Dr. Teoh Pek Loo

Board Assessment and Evaluation

The NC has on 26 February 2026 conducted an annual review and assessment on the effectiveness and performance of the Board, Board Committees and individual Directors for the FYE 2025. Facilitated by the Company Secretary, the assessment was conducted in both self-evaluation and peers' evaluation approaches.

Based on the results of the Board assessment for the FYE 2025, both the Board and NC are satisfied with the current mix of skills and experience of the Board and the respective Board Committees as a whole had met the requirements of the Company and the overall performance of the Board, the Board Committees and the members of the Board was effective and satisfactory. The results form the basis of recommending the Retiring Directors for re-election at the forthcoming AGM.

In considering independence, the NC also conducted an annual review on the level of independence of each INED to ensure alignment with the Company's objectives, strategic goals and compliance with ACE LR of Bursa Securities.

Directors' Remuneration

The RC is tasked to review and assess the remuneration packages, reward structure and benefits applicable to the Executive Directors ("EDs") and KSM and on an annual basis and makes recommendations to the Board for approval. The Company has on 1 December 2022 established a Remuneration Policy, which is accessible on the Company's website at www.kjts.com.my.

The RC may obtain independent advice in establishing the level of remuneration for the EDs and KSM. The remuneration packages of EDs and KSM comprise a base salary and benefits as well as bonuses. The level of remuneration of the EDs and KSM takes into consideration the following:

- (i) technical competency, skills, expertise and experience;
- (ii) qualification and professionalism;
- (iii) integrity;
- (iv) roles and responsibilities;
- (v) Company's performance in managing material sustainability risks and opportunities; and
- (vi) aligned with the business and risks strategies and long-term objectives of the Group.

A fair, reasonable and competitive remuneration package was provided to the EDs and KSM to ensure that the Company attracts and retains high calibre EDs and KSM who have the skills, experience and knowledge to increase entity value for the benefit of all shareholders.

The remuneration of the INEDs comprises annual directors' fees and reimbursement of expenses for their services in connection with Board and Board Committee meetings, which is subject to annual shareholders' approval at the AGM of the Company. The level of remuneration should reflect the experience and level of responsibilities undertaken by the particular INED.

EDs are not involved in discussions to decide on their remuneration. Further, Directors who are shareholders and controlling shareholders are required to abstain from voting on the resolution to approve Directors' fees at the AGM.

The details of the aggregate remuneration of Directors on the named basis for the FYE 2025 (Company and Group basis) are disclosed as below:

Company

Directors	Fee (RM'000)	Allowances (RM'000)	Salary (RM'000)	Bonus (RM'000)	Benefits-in-kind (RM'000)	Other emolument ¹ (RM'000)	Total (RM'000)
Azura binti Azman	96	0	0	0	0	0	96
Lee Kok Choon	0	12	780	0	28	99	919
Sheldon Wee Tah Poh	0	12	780	0	28	99	919
Ng Kok Ken	60	0	0	0	0	0	60
Elaine Law Soh Ying	60	0	0	0	0	0	60
Dr. Teoh Pek Loo	60	0	0	0	0	0	60

Group

Directors	Fee (RM'000)	Allowances (RM'000)	Salary (RM'000)	Bonus (RM'000)	Benefits-in-kind (RM'000)	Other emolument ¹ (RM'000)	Total (RM'000)
Azura binti Azman	96	0	0	0	0	0	96
Lee Kok Choon	0	12	780	0	28	99	919
Sheldon Wee Tah Poh	0	12	780	0	28	99	919
Ng Kok Ken	60	0	0	0	0	0	60
Elaine Law Soh Ying	60	0	0	0	0	0	60
Dr. Teoh Pek Loo	60	0	0	0	0	0	60

⁽¹⁾ These comprise contributions to Employees Provident Fund, Social Security Organisation, Employment Insurance System, insurance premiums and medical benefits.

Key Senior Management's Remuneration

The Board acknowledged the need for transparency in the disclosure of its KSM's remuneration. Nonetheless, the Board is of the opinion that such disclosure might be detrimental to the Group's business interests given the highly competitive human resource environment in which the Group operates where intense headhunting for candidates with the requisite expertise, knowledge and relevant professional experience is the norm.

As such, the Board has opted for an alternative approach to disclose the KSM's remuneration in the band of RM50,000.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

The total remuneration for KSM including salary, bonus, incentives, defined contributions, benefits-in-kind and other emoluments within the RM50,000 bands for the FYE 2025 is presented as follows:

Key Senior Management	Salary (RM'000)	Allowances (RM'000)	Bonus (RM'000)	Benefits ¹ (RM'000)	Other emolument ¹ (RM'000)	Total (RM'000)
Wong Nai Chien	250,000-300,000	0-50,000	0-50,000	100,000-150,000	0-50,000	450,000-500,000
Sarmila A/P Muniandy	250,000-300,000	0-50,000	0-50,000	100,000-150,000	0-50,000	400,000-450,000
Adrian Lim Hock Heng	250,000-300,000	0-50,000	0-50,000	50,000-100,000	0-50,000	400,000-450,000
Yap Yew Cheong	150,000-200,000	0-50,000	0-50,000	0-50,000	0-50,000	250,000-300,000

⁽¹⁾ These comprise contributions to Employees Provident Fund, Social Security Organisation, Employment Insurance System, Executive Share Option Scheme, insurance premiums and medical benefits.

PRINCIPLE B

EFFECTIVE AUDIT AND RISK MANAGEMENT

1. AUDIT AND RISK MANAGEMENT COMMITTEE

Chairman	Ng Kok Ken
Members	Elaine Law Soh Ying Dr. Teoh Pek Loo

The ARMC assists the Board in reviewing the Group's financial reporting process and accuracy of its financial results and scrutinising information for disclosure to ensure reliability and compliance with the applicable financial reporting standards. The ARMC reviewed the unaudited quarterly financial reports and annual financial statements of the Group prior to recommendation of the same to the Board for approval and submission to Bursa Securities.

The Chairman of ARMC, who is a member of the Malaysian Institute of Accountants ("MIA"), is distinct from the Chairman of the Board. All members of the ARMC have a solid understanding of the Group's operations, are financially literate and are able to analyse and interpret financial statements in order to effectively discharge their duties and responsibilities within the ARMC's purview, including the financial reporting process, internal control and risk management systems and the systems of compliance with the applicable regulations, rules, directives and guidelines.

Detailed information regarding the duties and responsibilities, meeting and attendance, summary of work of ARMC and the internal audit function are set out in pages 79 to 81 of this Annual Report.

Assessment of Suitability and Independence of External Auditors

The Board on its own and through the ARMC established a transparent and appropriate relationship with its External Auditors, UHY Malaysia PLT ("UHY"). Regular and unrestricted communication exists between the ARMC and UHY.

UHY had provided written assurance to the ARMC that they are and have been, independent throughout the conduct of the audit engagement with the Company in accordance with the terms of relevant professional and regulatory requirements.

In addition, the audit partner of UHY is regulated by the MIA guidelines in which the audit partner is subject to a seven-year rotation to ensure independence of External Auditors.

The ARMC had on 26 February 2025 undertook an annual assessment on the suitability, objectivity and independence of UHY for the FYE 2025 in accordance with the Company's External Auditors Assessment Policy. Having assessed their performance, the ARMC was satisfied with the quality, performance, suitability, objectivity and independence of UHY and recommended their re-appointment to the Board, upon which shareholders' approval will be sought at the forthcoming AGM.

Risk Management and Internal Control Framework

The Board regard risk management and internal control as an integral part of the overall management processes in the Group to safeguard shareholders' interests.

The Board has formalised a risk management and internal control framework to enable management to identify, evaluate, control, monitor and report to the Board the principal business risks faced by the Group on an ongoing basis, including remedial measures to be taken to address the risks.

The Board is assisted by ARMC in discharging its roles and responsibilities to oversee the effectiveness and adequacy of the risk management and internal control system of the Group. To maintain total independence in the management of the Group's internal control environment and ensure compliance with the ACE LR of Bursa Securities, the internal audit function of the Company is outsourced to Baker Tilly Monteiro Heng Governance Sdn. Bhd. ("Baker Tilly"), an independent professional services provider which is free from any relationships or COI that could impair their objectivity and independence.

Baker Tilly reports directly to the ARMC and assists the ARMC in managing the risks and establishment of the internal control system and processes of the Group by providing an independent assessment on the adequacy, efficiency and effectiveness of the Group's risk management and internal control system and processes.

Further details pertaining to the review on the Group's internal control system and its effectiveness are set out in the Statement on Risk Management and Internal Control on pages 74 to 78 of this Annual Report.

PRINCIPLE C

INTEGRITY IN CORPORATE REPORTING AND MEANINGFUL RELATIONSHIP WITH STAKEHOLDERS

1. ENGAGEMENT 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 has adopted a Corporate Disclosure Policies and Procedures ("CDPP"). The policy is aimed at developing an effective Investor Relations programme and strategy to communicate fairly and accurately, the corporate vision, strategies, developments, financial results and prospects to investors, the financial community, media and other stakeholders.

The CDPP serves as a guide to promote and demonstrate a high standard of integrity and transparency through timely, accurate, quality and full disclosure. The Board has identified spokespersons in the handling and disclosure of material information.

As governed by the CDPP, the relevant Directors, KSM and employees who may be regarded as insiders are not to trade on the basis of material information which is not known to the investing public and to tip-off or inform another person of such information. No insider trading was reported during the FYE 2025.

The Board is committed to achieve timely and high-quality disclosure in accordance with the spirit, intention and purpose of the applicable regulatory requirements. The Board has adopted the following communication channels:

(i) Corporate Website

- The Company's corporate website, www.kjts.com.my is accessible to the public and serves as another platform to communicate with the shareholders, investors and the general public.
- The Board has established dedicated sections on the Company's corporate website which channel the updates on the Company's announcements, Annual Reports, CG matters as well as other corporate information for the stakeholders to make informed decisions on the business of the Group.

(ii) Annual Report and Quarterly Financial Results

- The Annual Report provides comprehensive and updated information of the Group's activities, performance and strategic direction over the past year. It presents detailed insights into financial results, operational achievements and key initiatives, ensuring stakeholders have a clear understanding of the Group's current standing and future prospects.
- In addition, the Company announces its quarterly financial results immediately after the financial results are approved at the Board Meeting. This is important in ensuring that equal and fair access to information is provided to the investing public, so that the investors are able to make informed decisions.

(iii) Engagement Sessions with Stakeholders

- The Company conducts regular dialogues with financial analysts as a means of effective communication.
- The Company ensures that the time interval between the analysts briefing session and the release of quarterly financial report is timely to maintain interest amongst analysts.
- The Company provides regular updates on the Group through ongoing dialogues and discussions with fund managers, financial analysts, and shareholders.
- Any enquiries on investor-related matters may be directed to ir@kjts.com.my and all relevant and appropriate issues raised will be addressed accordingly.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

(iv) AGM

- The Board recognises the importance of the AGM which serves as the principal forum for dialogue and interaction between the Board and shareholders. The Company will conduct its forthcoming AGM by way of physical meeting to foster effective communication between the Board, Management and shareholders.
- The Company encourages full participation of shareholders at the AGM to ensure a high level of accountability and discussion of the Company's strategy and goals.
- The Company will invite the External Auditors to attend the AGM and be available to answer to shareholders' questions about the conduct of the audit and the preparation of the auditors' report.

2. CONDUCT OF ANNUAL GENERAL MEETINGS

The AGM is the principal forum for dialogue and communication with shareholders.

Shareholders are encouraged to attend the AGM as it remains an interactive platform for shareholders to engage directly with the Board and gain insights on the Group's business activities as well as financial position.

In line with Practice 13.1 of MCCG, the notice and agenda of the Fourth AGM will be sent to the shareholders at least twenty-eight (28) days before the date of AGM to enable shareholders to have sufficient time consider the resolutions that will be discussed and decided at the Fourth AGM.

At the AGM, shareholders will be given the opportunity to pose questions regarding resolutions being proposed before voting as well as matters relating to the Group's operations.

All resolutions set out in the Notice of the Fourth AGM will be voted by electronic polling and an independent scrutineer will be appointed by the Company to validate the poll results. The outcome of all resolutions proposed at the Fourth AGM will be announced to Bursa Securities thereafter.

The minutes and the key matters discussed at the AGM will be published on the Company's website as soon as practicable upon being reviewed by the Board members and approved by the Chairman.

FUTURE PRIORITIES IN KEY AREAS OF CORPORATE GOVERNANCE PRACTICES

The Board has established and adopted various Board policies, as part of its efforts to align the Company's CG with the latest regulatory requirements.

The Board will adhere to comply with the ACE LR of Bursa Securities on the requirement of a listed corporation to disclose the nature and extent of any COI or potential COI including interest in competing business involving directors, KSM and legal representative of a listed corporation, as well as directors and chief executive of the management company or trustee-manager of a collective investment scheme¹ (collectively, the "said person") in the following documents:

- statement accompanying notices of AGM pertaining to election of directors;
- relevant immediate announcements of the said person's appointment; and
- annual report in the various sections including those on the profile of directors, chief executive and KSM.

To promote greater governance practices and accountability in relation to managing COI within the Group, this CG Overview Statement was approved by the Board on 20 April 2026.

ADDITIONAL COMPLIANCE INFORMATION

1. UTILISATION OF PROCEEDS

The Company was listed on the ACE Market of Bursa Securities on 26 January 2024 ("Listing"). As part of the Listing exercise, the Company has undertaken a Public Issue of 218,027,200 new ordinary shares at an issue price of RM0.27 per share, raising gross proceeds of RM58.87 million ("IPO Proceeds").

The status of the utilisation of the IPO Proceeds as of 31 March 2025 is as follows:

Purpose of Utilisation	Proposed Utilisation (RM'000)	Amount Utilised (RM'000)	Balance to be Utilised (RM'000)	Estimated Timeframe for Utilisation
Business expansion				
• Expansion of Cooling Energy Segment	40,417	(22,060)	18,357	Within 24 months from 16 March 2026
• Expansion of offices in Malaysia, Thailand and Singapore	4,500	(500)	4,000	Within 24 months from 16 March 2026
Total	44,917	(22,560)	22,357	

The utilisation of proceeds as disclosed above should be read in conjunction with the Prospectus of the Company dated 5 January 2024 and the announcement dated 16 March 2026.

2. AUDIT AND NON-AUDIT FEES

The amount of audit and non-audit fees paid or payable to the external auditor's firm by the Group and the Company for the FYE 2025 are set out as below:

	Group (RM)	Company (RM)
Statutory audit - UHY Malaysia PLT	255,500	112,000
Statutory audit - Member firm of UHY International	63,708	-
Statutory audit - Other auditor	127,400	-
Non statutory audit - UHY Malaysia PLT ¹	12,500	12,500
Total	459,108	124,500

⁽¹⁾ The non-audit fees were incurred in connection with the limited review of quarterly financial information and review of the Statement on Risk Management and Internal Control.

3. LONG-TERM INCENTIVE PLAN (LTIP)

On 23 January 2024, the Company established a Long-Term Incentive Plan ("LTIP") comprising the Executive Share Option Scheme ("ESOS") and the Executive Share Grant Scheme ("ESGS"). The LTIP is designed to align the interests of eligible executive directors and executives of the Group ("Eligible Persons") with the long-term growth and profitability of the Company, and to retain and motivate key talent. There is no ESOS offered to the Non-Executive Directors in respect of the financial year. The total number of shares allocated under the LTIP shall not in aggregate exceed 10% of the total number of issued shares of the Company, comprising the ESOS and ESGS, at any point of time during the duration of the scheme.

Eligibility Criteria:

Eligible Persons are individuals who fulfill the following criteria:

- (i) such person is at least eighteen (18) years of age and is not an undischarged bankrupt nor subject to any bankruptcy proceedings; and
- (ii) he/she is employed on a full-time basis and who has been confirmed in service/employment as a full-time employee of the Group.

ADDITIONAL COMPLIANCE INFORMATION

Basis of Allotment:

The allotment of ESOS options to Eligible Persons will be determined based on the following factors:

- (i) the Eligible Person's performance, seniority (denoted by employee job grade), length of service, contribution to the performance of the Group;
- (ii) in the case of an Eligible Person who is a Director, the Eligible Person's contribution towards the growth of the Group and positions held in various board committees of the Company.

Duration:

The LTIP will be in force for a period of 5 years from 23 January 2024.

Executive Share Option Scheme (ESOS):

The ESOS involves the granting of options to Eligible Persons, entitling them to subscribe for ordinary shares in the Company.

On 26 January 2024, the Company granted 13,756,000 options at an exercise price of RM0.27 per share, which was based on the IPO price.

On 12 November 2024, the Company granted 13,760,000 options at an exercise price of RM0.7224 per share, which was based on the volume weighted average market price of the Company's shares 5 market days prior to the grant date.

There were no ESOS options granted for FYE 2025.

The total number of ESOS options granted, exercised, forfeited and outstanding since its commencement up to 31 December 2025 are as follows:

Description	Number of ESOS options as at 31 December 2025	
	Allocated to the Group	Executive Director
Granted	23,764,000	3,752,000
Exercised	1,522,635	-
Forfeited	1,533,500	-
Options outstanding	20,707,865	3,752,000

The total number of ESOS options exercised during the financial year are as follows:

Category of Participants	No. of Participants	No. of ESOS options exercised during FYE 2025	Percentage
Executive Directors	-	-	-
Management	62	1,522,635	100%

The total number of options outstanding/unexercised at the beginning and at the end of the financial year are as follows:

Category of Participants	No. of options outstanding/unexercised	
	1 January 2025	31 December 2025
Executive Directors	3,752,000	3,752,000
Management	23,764,000	20,707,865

The percentage of options granted to Directors and Key Senior Management under ESOS are as follows:

Directors and Key Senior Management	Since commencement up to 31 March 2026
Aggregate maximum allocation	70%
Actual percentage granted	14.22%

The Company did not grant any options to the Non-Executive Directors under the ESOS.

Executive Share Grant Scheme (ESGS):

The ESGS involves granting of ordinary shares of the Company at no consideration to Eligible Persons.

There were no ESGS options granted for FYE 2025.

4. MATERIAL CONTRACTS

There were no material contracts entered into by the Company which involved Director's or major shareholders' interest during the financial year under review.

5. RECURRENT RELATED PARTY TRANSACTIONS OF A REVENUE OR TRADING IN NATURE ("RRPT")

The Company did not seek any shareholders' mandate in respect of RRPT.

6. DISCLOSURE OF FINANCIAL DATA FOR SHARIAH SCREENING

Pursuant to Rule 9.25A of the ACE LR of Bursa Securities, below are the financial data that are relevant for 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 interest-based financial position.

(A) Group Total Income and Total Assets

Total Income	Remarks	Group	
		2025 (RM)	2024 (RM)
Revenue		212,454,330	137,745,545
Other income		1,587,169	1,133,023
Interest income		139,316	132,186
Dividend income		1,545,553	1,828,358
Total		215,726,368	140,839,112
Total Assets		204,416,733	149,724,686

(B) Business Activities

Shariah Non-Compliant Activities	Remarks	Group	
		2025 (RM)	2024 (RM)
Not applicable	N/A	-	-
Total		-	-

ADDITIONAL COMPLIANCE INFORMATION

(C) Component of Financial Position

(i) Cash Component

	Remarks	Group	
		2025 (RM)	2024 (RM)
Islamic Account/Instruments			
Cash in hand		50,698	86,885
Money market instruments		38,826,150	49,934,722
Total		38,876,848	50,021,607
Conventional Account/Instruments			
Cash at bank (exclude cash in hand)		14,007,984	6,865,752
Money market instruments		2,754,146	8,320,199
Deposits with licensed bank		2,405,454	2,348,988
Total		19,167,584	17,534,939

(ii) Debt Component

	Remarks	Group	
		2025 (RM)	2024 (RM)
Islamic Financing			
Current			
Bank borrowings		5,400	10,545
Non-Current			
Bank borrowings		-	5,383
Total		5,400	15,928
Conventional Borrowing			
Current			
Bank borrowings		1,592,849	1,330,757
Bank overdrafts		957,712	137
Non-Current			
Bank borrowings		6,679,942	3,047,009
Bank overdrafts		-	-
Total		9,230,503	4,377,903

NOMINATING COMMITTEE REPORT

Our Board is pleased to present the NC Report for the FYE 2025.

TERMS OF REFERENCE

The duties and responsibilities of the NC are set out in the Terms of Reference ("TOR") of the NC which are consistent with the requirements of the ACE LR of Bursa Securities and MCCG. The TOR of the NC is available on the Company's website at www.kjts.com.my.

COMPOSITION

The NC comprises exclusively INEDs. The composition of the NC is in line with the requirement of Rule 15.08A(1) of the ACE LR of Bursa Securities, which states that the NC must comprise exclusively non-executive directors, majority of whom are independent directors. The NC is chaired by an Independent Director which is in line with Practice 5.8 of the MCCG.

As at 25 February 2026, the composition of the NC is as follows:

Name	Designation	Directorship
Dr. Teoh Pek Loo	Chairman	Independent Non-Executive Director
Elaine Law Soh Ying	Member	Independent Non-Executive Director
Ng Kok Ken	Member	Independent Non-Executive Director

However, with the NC and RC combined into one single committee known as NRC effective 26 February 2026, the NRC composition is as follows:

Name	Designation	Directorship
Elaine Law Soh Ying	Chairman	Independent Non-Executive Director
Ng Kok Ken	Member	Independent Non-Executive Director
Dr. Teoh Pek Loo	Member	Independent Non-Executive Director

MEETING AND ATTENDANCE

The NC scheduled its meetings in advance to help members seamlessly incorporate them into their calendars. This proactive approach ensures ample notice for all members. Throughout the reviewed year, the NC fulfilled its obligations by convening five meetings and all NC members attended all the five meetings held in 2025. There was no urgent decision requiring NC's endorsement to be obtained through NC written resolution.

The meeting attendance of the NC members for FYE 2025 is as follows:

Name	Meeting Attended
Dr. Teoh Pek Loo	5/5
Elaine Law Soh Ying	5/5
Ng Kok Ken	5/5

The Company Secretary strives to circulate the notice of meeting together with the relevant meeting papers at least five business days prior to the scheduled meeting.

The GMD and GED along with any other individuals deemed pertinent by the NC, were invited to attend the NC meetings. Their presence serves the purpose of providing the NC with essential information and clarification on agenda items. The NC Chairman reports on the matters discussed at every NC meeting and the NC's recommendations to the Board for consideration after each NC meeting.

The role of the Secretary to the NC is fulfilled by the Company Secretary. Thorough records of all NC meetings, including discussions and comments made by Directors, were documented in the minutes of each meeting. The signed minutes of each NC meeting were appropriately retained by the Secretary. All minutes of both NC meetings and written resolutions were presented for confirmation at the subsequent NC meeting. The minutes of the NC meeting was also presented to the Board in its meeting for notation.

NOMINATING COMMITTEE REPORT

BOARD APPOINTMENT PROCESS

NC plays a pivotal role in the process of the Board's appointment, developing and deliberating on selection criteria based on the competencies and attributes required for effective Board membership. The NC will conduct screening, initial selection and presents their findings on candidates to the Board for consideration.

The NC will ensure that all candidates for Board positions undergo a thorough evaluation, considering a mix of skills, competencies, experience, integrity, personal attributes and the time commitment required for effective directorship. The selection process also takes into account diversity in terms of age and gender.

Subsequent to the listing on 26 January 2024, there was no change to the composition of the Board.

FIT AND PROPER POLICY

Pursuant to Rule 15.01A of the ACE LR, listed corporations are required to establish a comprehensive fit and proper policy to govern the appointment and re-election processes of Directors for both the listed issuer and its subsidiaries. The Directors' Fit and Proper Policy of the Company outlines the criteria for assessing Directors' re-election and the process for selecting candidates for new appointments.

During the financial year under review and up to the date of this report, the NC assessed the fitness and propriety of Directors in line with this Policy, prior to recommending any re-election of Directors.

SUMMARY OF ACTIVITIES OF THE NC

Key Senior Management Performance Appraisal

During the year under review and up to the date of this report, the NC deliberated, reviewed and evaluated the KSM performance for the financial year 2025 against the set targets.

Annual Reporting

During the year under review and up to the date of this report, the NC reviewed and endorsed the disclosures in the NC Report for the financial year 2025 to ensure the report was prepared in compliance with the relevant regulatory requirements and guidelines in particular ACE LR of Bursa Securities and MCCG.

Board Evaluation

The NC assists the Board in reviewing its effectiveness, mix of skills and composition via the Board Evaluation ("BE") exercise, which is conducted on annual basis. Findings from the BE are used to establish the Board's skills matrix, which is referred to by the Board and the NC to support the Board's succession planning activities, including strengthening of its talent pool

with the right mix of skills and diversity in terms of gender and ethnicity. In addition, BE is undertaken to assess the effectiveness of the Board as a whole and the Board Committees and contribution of each individual Director as well as reviewing their level of independence of each INED to ensure alignment with the Company's objectives, strategic goals and compliance with ACE LR of Bursa Securities.

The NC also reviewed the terms of office and assessed the ARMC and each of its members to ensure ARMC and its members have carried out their duties in accordance with the ARMCTOR.

Training for the Board

During the year under review, the NC reviewed and addressed the training needs of the Board members. NC believes that continuous education is essential to keep abreast of industry development and new regulations.

Re-election of Directors at the Third AGM

The NC endorsed the rotation list of Directors who stand for re-election at the AGM before recommending it to the Board for approval. In determining Directors' eligibility for re-election and reappointment, the NC assesses their competencies, commitment, contributions and performance based on the BE. The assessment also considers their ability to act in the best interest of the Company, ensuring a thorough and comprehensive review of their suitability for re-election.

The Directors who stand for re-election at the Third AGM had consented for their re-election and signed the Fit and Proper Declaration prior to NC's assessment, endorsement and recommendation to the Board for subsequent presentation to the shareholders for approval.

Sheldon Wee Tah Poh and Ng Kok Ken were the Directors representing one-third and have been the longest in office since their last election and they retired at the Third AGM and shall be eligible for re-election, pursuant to Clause 76(3) of the Constitution. The NC and the Board had at their respective meetings held on 26 February 2025, endorsed and approved the aforesaid re-election of Directors.

Succession Planning Policy

The NC reviewed the draft Succession Planning Policy for adoption by the Company.

NC'S EFFECTIVENESS REVIEW AND PERFORMANCE

Based on the BE 2025 findings, the Board believes that the NC has played an effective role and fulfilled the functions under its TOR, providing valuable contribution to the Board. The Board strongly agrees with the performance and effectiveness of the NC in providing sound advice and recommendations to the Board in managing competencies and succession planning for the Directors and KSM.

REMUNERATION COMMITTEE REPORT

Our Board is pleased to present the RC Report for the FYE 2025.

TERMS OF REFERENCE

The duties and responsibilities of the RC are set out in the TOR of the RC. The TOR of the RC is available on the Company's website at www.kjts.com.my.

COMPOSITION

The RC comprises three members, whom are exclusively Independent Non-Executive Directors. As at 25 February 2026, the composition of the RC is as follows:

Name	Designation	Directorship
Elaine Law Soh Ying	Chairman	Independent Non-Executive Director
Dr. Teoh Pek Loo	Member	Independent Non-Executive Director
Ng Kok Ken	Member	Independent Non-Executive Director

However, with the NC and RC combined into one single committee known as NRC effective 26 February 2026, the NRC composition is as follows:

Name	Designation	Directorship
Elaine Law Soh Ying	Chairman	Independent Non-Executive Director
Ng Kok Ken	Member	Independent Non-Executive Director
Dr. Teoh Pek Loo	Member	Independent Non-Executive Director

MEETING AND ATTENDANCE

The RC scheduled its meetings in advance to help members seamlessly incorporate them into their calendars. This proactive approach ensures ample notice for all members. Throughout the reviewed year, the RC fulfilled its obligations by convening three meetings and all RC members attended all the three meetings held in 2025. There was no urgent decision requiring RC's endorsement to be obtained through RC written resolution.

The meeting attendance of the RC members for FYD 2025 is as follows:

Name	Meeting Attended
Elaine Law Soh Ying	3/3
Dr. Teoh Pek Loo	3/3
Ng Kok Ken	3/3

The Company Secretary strives to circulate the notice of meeting together with the relevant meeting papers at least five business days prior to the scheduled meeting.

The GMD and GED along with any other individuals deemed pertinent by the RC, were invited to attend the RC meetings. Their presence serves the purpose of providing the RC with essential information and clarification on agenda items. The RC Chairman reports on the matters discussed at every RC meeting and the RC's recommendations to the Board for consideration after each RC meeting.

The role of the Secretary to the RC is fulfilled by the Company Secretary. Thorough records of all RC meetings, including discussions and comments made by Directors, were documented in the minutes of each meeting. The signed minutes of each RC meeting were appropriately retained by the Secretary. All minutes of RC meetings were presented for confirmation at the subsequent RC meeting. The minutes of the RC meeting were also presented to the Board in its meeting for notation.

REMUNERATION COMMITTEE REPORT

RC'S EFFECTIVENESS REVIEW AND PERFORMANCE

Based on the BE 2025 findings, the Board believes that the RC has played an effective role and fulfilled the functions under its TOR, providing valuable contribution to the Board. The Board strongly agrees with the performance and effectiveness of the RC in providing sound advice and recommendations to the Board on the remuneration structure for the Directors and KSM.

SUMMARY OF ACTIVITIES OF THE RC

During the FYE 2025, the activities carried out by the RC were amongst others as follows:

- (i) Reviewed and endorsed the draft RC Report for inclusion in the Company's Annual Report 2024;
- (ii) Reviewed and endorsed the payment of Directors' Fees and Benefits from the day following the last AGM through to the 2026 AGM;
- (iii) Reviewed and endorsed Directors' Remuneration for the GMD and GED; and
- (iv) Reviewed and endorsed the remuneration package of the KSM.

LONG-TERM INCENTIVE PLAN COMMITTEE REPORT

Our Board is pleased to present the LTIPC Report for the FYE 2025.

TERMS OF REFERENCE

The duties and responsibilities of the LTIPC are set out in the TOR of the LTIPC. The TOR of the LTIPC is available on the Company's website at www.kjts.com.my.

COMPOSITION

The LTIPC comprises three members, whom are two Independent Non-Executive Directors and the GMD.

As at the date of this report, the composition of the LTIPC is as follows:

Name	Designation	Directorship
Lee Kok Choon	Chairman	Group Managing Director
Dr. Teoh Pek Loo	Member	Independent Non-Executive Director
Ng Kok Ken	Member	Independent Non-Executive Director

MEETING AND ATTENDANCE

The LTIPC scheduled its meetings in advance to help members seamlessly incorporate them into their calendars. This proactive approach ensures ample notice for all members. However, there was no LTIPC meeting scheduled in 2025.

LTIP'S EFFECTIVENESS REVIEW AND PERFORMANCE

As there was no LTIPC meeting scheduled in 2025, the Board believes that since the inception of the LTIPC, LTIPC has always played an effective role and fulfilled the functions under its TOR, implementing and administering the LTIP of the Company, comprising ESOS and ESGS in accordance with the by-laws of the LTIP ("By-Laws") and providing valuable contribution to the Board.

SUMMARY OF ACTIVITIES OF THE LTIPC

As there was no LTIPC meeting during the FYE 2025, there was no activity carried out by the LTIPC.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

INTRODUCTION

The Board of Directors of KJTS Group Berhad ("Board") is pleased to present this Statement on Risk Management and Internal Control ("Statement") of KJTS Group Berhad and its subsidiaries ("KJTS Group", or "the Group") prepared in accordance with Rule 15.26(b) of the ACE Market Listing Requirements ("ACE LR") of Bursa Malaysia Securities Berhad ("Bursa Securities"), and as guided by the Statement on Risk Management and Internal Control: Guidelines for Directors of Listed Issuers, and the Malaysian Code on Corporate Governance, and The Statement on Risk Management and Internal Control ("SORMIC") Guide 2025 issued by The Institute of Internal Auditors Malaysia.

This Statement provides stakeholders with an overview of the state of risk management and internal control within KJTS Group, outlining the nature and scope of these systems during the financial year under review and up to the date of approval of this Statement for inclusion in the Annual Report.

BOARD RESPONSIBILITIES

The Board acknowledges its overall responsibility for establishing a sound risk management framework and internal control system across the Group and for reviewing its adequacy and effectiveness on an ongoing basis. This responsibility encompasses:

- **Governance and Strategic Oversight:** Ensuring a risk-aware culture is embedded throughout the organisation and that risk considerations are integrated into corporate strategy and key decision-making processes.
- **Risk Appetite and Policy Setting:** Defining and approving the Group's acceptable risk appetite and tolerances, and endorsing risk management policies and frameworks that align with corporate objectives.
- **Accountability and Delegation:** Maintaining clear terms of reference for Board Committees and appropriate delegation of authority limits to Management, whilst retaining final accountability for decisions within the Board's remit.
- **Monitoring and Engagement with Assurance Providers:** Overseeing the adequacy and effectiveness of the risk management and internal control system, evaluating whether key risks are effectively identified, managed and mitigated, and engaging with internal and external assurance providers.

The Board recognises that the system of internal control is designed to manage, rather than eliminate, the risk of failure to achieve business objectives. Accordingly, such systems can only provide reasonable and not absolute, assurance against material misstatement, loss, or failure to meet objectives.

The Board has delegated its oversight responsibilities for risk management to the Audit and Risk Management Committee ("ARMC"), which assists the Board in reviewing risk management processes, ensuring the adequacy of the internal control system and monitoring the effectiveness of the internal audit function.

RISK MANAGEMENT FRAMEWORK

Enterprise Risk Management Approach

The Group has established an Enterprise Risk Management ("ERM") Framework that is aligned with the principles of **ISO 31000:2018** (Risk Management – Guidelines) and the **COSO Enterprise Risk Management – Integrating with Strategy and Performance** framework. This integrated approach provides the foundation for identifying, assessing, treating, monitoring and reporting risks across all levels and business units of the Group.

The ERM Framework ensures that:

- Risk management is embedded within the Group's culture, processes and structures
- A consistent and standardised approach to risk management is applied across all subsidiaries and divisions
- Roles and responsibilities for risk management are clearly defined and accepted by relevant personnel
- Risk management is an integral part of business management, owned by every manager with facilitation and support from the risk management function

Key Elements of the Risk Management System

The following elements underpin the Group's risk management system:

Control Environment

- Documented corporate values, code of conduct, policies and procedures that guide employee behaviour
- Management's philosophy and operating style aligned with Board-approved risk appetite
- Clear organisational structure with defined assignment of authority and responsibility
- Board Charter, Committee Terms of Reference and delegation of authority limits
- Commitment to competence, ensuring employees possess the necessary knowledge, skills and expertise to perform their duties effectively

Risk Identification and Assessment

- Systematic identification of significant risks affecting the achievement of the Group's strategic and operational objectives
- Assessment of risks based on likelihood of occurrence and potential impact
- Consideration of both internal and external factors, including emerging risks such as digital disruption, cybersecurity threats, regulatory changes and climate-related risks
- Maintenance of a comprehensive risk register that is regularly updated and reviewed

Risk Treatment and Monitoring

- Development and implementation of risk mitigation strategies and controls to address identified risks
- Assignment of risk ownership to appropriate personnel who are accountable for managing specific risks
- Establishment of Key Risk Indicators ("KRIs") to monitor changes in risk levels and provide early warning of potential risk events
- Regular reporting of risk status to the ARMC and the Board

Risk Appetite

The Board has determined the Group's risk appetite, which represents the level of risk the Group is willing to accept in pursuing its strategic objectives. This risk appetite:

- Varies across different risk categories and over time based on the Group's strategic priorities and market conditions
- Is communicated and cascaded throughout the organisation to guide decision-making
- Is periodically reviewed and adjusted to reflect changes in the business environment and stakeholder expectations

INTERNAL CONTROL SYSTEM

Framework and Principles

The Group's internal control system is designed in accordance with the **COSO Internal Control – Integrated Framework**, encompassing the five interrelated components of:

1. Control Environment
2. Risk Assessment
3. Control Activities
4. Information and Communication
5. Monitoring Activities

These components work together to support the achievement of the Group's objectives across three categories: operations, reporting and compliance.

Key Features of Internal Control

The key features of the Group's internal control system include:

Organisational Structure and Governance

- A clearly defined organisational structure with documented lines of reporting and accountability
- Segregation of duties to reduce opportunities for misappropriation of assets or manipulation of financial records
- Appropriate delegation of authority with defined approval limits for capital expenditure, operating expenditure and other financial commitments

Policies and Procedures

- Comprehensive policies and procedures governing key business processes, including financial management, procurement, human resources, information technology and occupational health and safety
- Regular review and updating of policies to ensure continued relevance and alignment with regulatory requirements and industry best practices

Financial Controls

- Detailed annual budgeting process with monthly monitoring of actual performance against budget
- Regular financial reporting to Management and the Board, with variance analysis and explanation of significant deviations
- Periodic review of financial statements by the ARMC prior to Board approval

Operational Controls

- Standard operating procedures for key operational activities across all business segments
- Quality management systems to ensure consistent delivery of products and services
- Regular maintenance and upgrading of plant, equipment and information technology infrastructure

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

Compliance Controls

- Monitoring of compliance with applicable laws, regulations and contractual obligations
- Regular engagement with legal advisors and regulatory bodies to stay abreast of changes in the regulatory landscape
- Establishment of whistleblowing channels for reporting suspected breaches of law, regulations, or company policies

Information Technology Controls

- Implementation of cybersecurity measures to protect against unauthorised access, data breaches and system disruptions
- Regular backup of critical data and systems, with disaster recovery plans in place
- Access controls to restrict system access based on job functions and responsibilities

INTEGRATION OF ESG AND SUSTAINABILITY RISKS

In line with the requirements of the SORMIC Guide 2025 and the National Sustainability Reporting Framework, the Board has ensured that Environmental, Social and Governance ("ESG") and other sustainability risks are integrated within the Group's overall risk management and internal control framework.

Approach to ESG Risk Management

The Group's approach to ESG risk management involves:

- **Identification:** Incorporating ESG-related risks including climate change, environmental compliance, workforce health and safety, community relations and governance practices into existing risk identification processes
- **Assessment:** Evaluating the likelihood and potential impact of ESG risks on the Group's strategic objectives, financial performance and reputation
- **Integration:** Mapping ESG risks to strategic objectives and operational plans and reflecting them in risk registers and control activities
- **Monitoring:** Establishing relevant metrics and targets to track ESG performance and risk exposure
- **Reporting:** Disclosing material ESG risks and the Group's response in the Sustainability Report section of the Annual Report

Key ESG Risks Identified

The following material ESG risks have been identified and are being actively managed:

- **Climate-related Risks:** Physical risks from extreme weather events and transition risks associated with the shift to a lower-carbon economy
- **Environmental Compliance:** Risks arising from non-compliance with environmental regulations and potential liabilities from environmental incidents
- **Occupational Health and Safety:** Risks to employee health, safety and wellbeing in the workplace
- **Supply Chain Sustainability:** Risks related to the sustainability practices of suppliers and contractors
- **Governance and Ethics:** Risks associated with ethical conduct, anti-corruption and data privacy

ROLES AND RESPONSIBILITIES

The Group adopts **The IIA's Three Lines Model** to structure roles and responsibilities for effective risk management and internal control:

First Line: Management (Operational Functions)

Operational management serves as the first line of defence, responsible for:

- Day-to-day management of risks within their areas of responsibility
- Implementing and operating internal controls
- Identifying, assessing and mitigating risks as part of normal business activities
- Ensuring compliance with policies, procedures and regulatory requirements

Second Line: Management (Risk and Compliance Functions)

Specialist functions provide expertise, support and monitoring, including:

- The Risk Management function, which facilitates the ERM Framework, coordinates risk assessment activities and consolidates risk reporting
- The Compliance function, which monitors adherence to laws, regulations and internal policies
- The Finance function, which ensures the integrity of financial reporting and related controls

Third Line: Internal Audit

The internal audit function provides independent and objective assurance to the Board and Management on the adequacy and effectiveness of the Group's governance, risk management and internal control systems. The internal audit function:

- Reports directly to the ARMC, ensuring independence from Management
- Operates in accordance with the International Professional Practices Framework issued by The Institute of Internal Auditors
- Develops an annual audit plan based on a risk-based methodology, approved by the ARMC
- Conducts systematic reviews of key processes, controls and risk management activities
- Reports audit findings and recommendations to the ARMC, with follow-up on implementation of corrective actions

The Group's internal audit function is performed by an outsourced professional internal audit firm – Baker Tilly, which possesses the requisite qualifications, experience and resources to carry out its responsibilities effectively. The ARMC has reviewed the independence, scope, functions, competency and resources of the internal audit function and is satisfied that it is adequately resourced and able to function independently.

EVALUATION OF EFFECTIVENESS

Ongoing Assessment

The Board, through the ARMC, undertakes ongoing review and monitoring of the risk management and internal control system through:

- **Regular Management Reporting:** Management provides periodic updates to the ARMC on the status of key risks, changes in the risk profile and the effectiveness of risk mitigation measures
- **Internal Audit Reviews:** The internal auditors conduct scheduled audits throughout the year and report their findings, including any control weaknesses and recommendations for improvement, to the ARMC
- **Risk Register Updates:** The risk register is reviewed and updated regularly to reflect changes in the business environment, emerging risks and the status of risk mitigation actions
- **KRI Monitoring:** KRIs are monitored to detect early warning signs of potential risk events and to assess whether risk levels remain within approved tolerances
- **Incident Reporting:** Significant control failures or incidents are reported to the ARMC for investigation and corrective action

Annual Assessment

In addition to ongoing monitoring, the Board conducts an annual assessment of the adequacy and effectiveness of the risk management and internal control system. This assessment considers:

- Changes in the nature and extent of significant risks facing the Group
- The Group's ability to respond to changes in its business environment and external conditions
- The scope and results of internal audit activities during the year
- The work of the external auditors and any significant issues reported in their management letter
- Significant control failings or weaknesses identified during the year and their impact on the Group
- The adequacy of resources allocated to risk management and internal control activities
- The effectiveness of communication and reporting of risk and control matters to the Board

The Board has reviewed the adequacy and effectiveness of the Group's risk management and internal control system for the FYE 2025. Based on the information and assurances provided, the Board is of the view that the risk management and internal control system in place is adequate and effective to safeguard shareholders' investments and the Group's assets.

Limitations

The Board acknowledges the inherent limitations of any system of risk management and internal control, including:

- Human error, oversight, or poor judgement in decision-making
- The potential for intentional circumvention or Management override of controls
- Collusion among employees or between employees and external parties
- The occurrence of unforeseeable events outside the scope of anticipated risks

Notwithstanding these limitations, the Board is committed to continuous improvement of the Group's risk management and internal control system to address identified weaknesses and emerging risks.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

ASSURANCE FROM GROUP MANAGING DIRECTOR AND GROUP CHIEF FINANCIAL OFFICER

In accordance with the requirements of the SORMIC Guide 2025, the Board has received assurance from the Group Managing Director ("GMD") and the Group Chief Financial Officer ("GCFO") that:

1. The Group's risk management and internal control system has been designed and implemented in accordance with relevant standards and regulatory requirements
2. The system has operated adequately and effectively, in all material respects, throughout the financial year under review and up to the date of this Statement
3. Risks are being managed within tolerable levels aligned with the Board-approved risk appetite
4. There were no material losses incurred during the financial year as a result of significant control weaknesses or failures that would require separate disclosure in this Annual Report

The Board has evaluated the credibility and sufficiency of the assurances provided by the GMD and GCFO and is satisfied that these assurances provide a reasonable basis for the Board's conclusions on the adequacy and effectiveness of the risk management and internal control system.

MATERIAL JOINT VENTURES AND ASSOCIATES

For the purposes of this Statement, material joint ventures and associates, where the Group does not have management control, have been excluded. The Group does not have management control over these entities to implement its risk management and internal control policies. However, the Group's interests in these entities are safeguarded through Board representation, regular review of financial and operational information and periodic discussions with the management of these entities.

REVIEW OF THE STATEMENT BY EXTERNAL AUDITORS

As required by Rule 15.23 of the ACE LR of Bursa Securities, the External Auditors, UHY Malaysia PLT has reviewed this Statement for inclusion in this Annual Report 2025. Their limited assurance review was performed in accordance with the 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.

AAPG 3 does not require the External Auditors to consider whether the Statement covers all risks and controls, or to form an opinion on the adequacy and effectiveness of the Group's risk management and internal control systems including the assessment and opinion by the Board and management thereon. The External Auditors are also not required to consider whether the processes described to deal with material internal control aspects of any significant problems disclosed in the annual report will, in fact, remedy the problems.

Based on their review, the external auditors have reported to the Board that nothing has come to their attention that causes them to believe that this Statement is inconsistent with their understanding of the processes adopted by the Board in reviewing the adequacy and effectiveness of the Group's risk management and internal control system.

CONCLUSION

The Board remains committed to maintaining a sound system of risk management and internal control to safeguard shareholders' investments and the Group's assets. The Board will continue to take measures to strengthen the risk management and internal control environment and to address any identified weaknesses or emerging risks.

This Statement is made in accordance with a resolution of the Board dated 20 April 2026.

AUDIT & RISK MANAGEMENT COMMITTEE REPORT

Our Board is pleased to present the ARMC Report for the FYE 2025 in compliance with Rule 15.15 of the ACE LR of Bursa Securities.

The ARMC assists our Board in its oversight of the Group's financial reporting, internal audit, risk management and internal control, sustainability, related party transactions and recurrent related party transactions as well as in the area of CG.

Our Board acknowledges and takes cognisance of the MCCG which contains best practices and guidelines for listed companies to improve upon or to enhance their CG as it forms an integral part of their business operations and culture.

TERMS OF REFERENCE

The duties and responsibilities of the ARMC are set out in the TOR of the ARMC. The TOR of the ARMC is available on the Company's website at www.kjts.com.my.

COMPOSITION

The ARMC comprises three members, whom are exclusively Independent Non-Executive Directors and each satisfied the "independence" requirements contained under the ACE LR of Bursa Securities. The ARMC meets the requirements of Rule 15.09(1)(a) and (b) of the ACE LR.

As at 25 February 2026, the composition of the ARMC is as follows:

Name	Designation	Directorship
Ng Kok Ken	Chairman	Independent Non-Executive Director
Elaine Law Soh Ying	Member	Independent Non-Executive Director
Dr. Teoh Pek Loo	Member	Independent Non-Executive Director

All the ARMC members are financially literate and have contributed to meaningful discussions in overseeing the integrity of the Group's accounting and financial reporting matters. The Chairman of the ARMC, Ng Kok Ken, is a member of the Malaysian Institute of Accountants since July 2014. Hence, the composition of the ARMC complies with the requirements of Rule 15.09(1) (c)(i) of the ACE LR.

The Nominating Committee has assessed the term of office and performance of the ARMC and each of its members for FYE 2025 and was satisfied that each of them has discharged their duties effectively in accordance with the ARMC's TOR. The result of the ARMC performance assessment for FYE 2025 was reported to the Board.

However, with the separation of ARMC into AC and RMC effective 26 February 2026, the composition of the AC and RMC are as follows:

AC

Name	Designation	Directorship
Ng Kok Ken	Chairman	Independent Non-Executive Director
Elaine Law Soh Ying	Member	Independent Non-Executive Director
Dr. Teoh Pek Loo	Member	Independent Non-Executive Director

RMC

Name	Designation	Directorship
Dr. Teoh Pek Loo	Chairman	Independent Non-Executive Director
Ng Kok Ken	Member	Independent Non-Executive Director
Elaine Law Soh Ying	Member	Independent Non-Executive Director

AUDIT & RISK MANAGEMENT COMMITTEE REPORT

MEETING AND ATTENDANCE

The ARMC scheduled its meetings in advance to help members seamlessly incorporate them into their calendars. This proactive approach ensures ample notice for all members. Throughout the reviewed year, the ARMC fulfilled its obligations by convening five meetings and all ARMC members attended all the meetings held in 2025. There was no urgent decision requiring ARMC's endorsement to be obtained through ARMC written resolution.

The meeting attendance of the ARMC members for the FYE 2025 is as follows:

Name	Meeting Attended
Elaine Law Soh Ying	5/5
Dr. Teoh Pek Loo	5/5
Ng Kok Ken	5/5

The Company Secretary strives to circulate the notice of meeting together with the relevant meeting papers at least five business days prior to the scheduled meeting.

KSM, Internal Auditor, External Auditors and other necessary individuals were invited to attend the ARMC meeting to provide update, essential information and clarification on the agenda items as well as matters within the ARMC's TOR. The ARMC Chairman reports on the matters discussed at every ARMC meeting and the ARMC's recommendations to the Board for consideration after each ARMC meeting.

The ARMC also had one private session on 26 February 2025 with the External Auditors without the presence of Executive Management team.

The role of the Secretary to the ARMC is fulfilled by the Company Secretary. Thorough records of the ARMC meeting, including discussions and comments made by members, were documented in the minutes of each meeting. The signed minutes of the ARMC meetings were appropriately retained by the Secretary. The minutes of the ARMC meeting were presented for confirmation at the subsequent ARMC meeting. The minutes of the ARMC meeting was also presented to the Board in its meeting for notation.

SUMMARY OF ACTIVITIES OF THE ARMC

During the FYE 2025, the ARMC diligently executed its responsibilities, focusing on the following key areas:

(i) Financial Reporting

Review and Endorsement of Financial Statements: The ARMC meticulously reviewed and endorsed the Audited Financial Statements for the financial year ended 31 December 2024, ensuring compliance with Malaysian Financial Reporting Standards (MFRS) and relevant regulatory requirements. Key areas of focus included the appropriateness of accounting policies, the accuracy of financial disclosures and the overall integrity of the financial reporting process.

Quarterly Financial Reviews: The ARMC reviewed and endorsed the Unaudited Quarterly Results of the Company, providing oversight and ensuring timely and accurate financial reporting.

Dividend Declaration: Reviewed the document for solvency test on the declaration and endorsed payment of dividend, as required by Section 132 of the Companies Act 2016.

ARMC Report: The ARMC reviewed and endorsed the ARMC Report for inclusion in the Annual Report 2024, confirming the disclosure in the ARMC Report.

Corporate Governance Report: The ARMC reviewed and endorsed the Corporate Governance Report for 2024, verifying the Company's adherence to best practices and regulatory guidelines.

Statement on Risk Management and Internal Control: The ARMC reviewed and endorsed the Statement on Risk Management and Internal Control for inclusion in the Annual Report 2024, confirming the adequacy and effectiveness of the Company's internal controls.

(ii) Risk Management

Risk Management Framework Review: The ARMC conducted a comprehensive review of the Group's Risk Management Framework, assessing its effectiveness in identifying, evaluating and mitigating key risks.

Sustainability Reporting Process: The ARMC reviewed the Internal Audit Reports concerning the sustainability reporting process, ensuring the reliability and accuracy of sustainability related disclosures.

(iii) External Auditors

Audit Planning Memorandum: The ARMC reviewed and approved the Audit Planning Memorandum for the FYE 2025 with the External Auditors, ensuring a comprehensive and effective audit scope.

Auditor Independence and Re-appointment: The ARMC assessed the suitability, independence and performance of the External Auditors. Discussions were held regarding their re-appointment and the proposed audit fees, ensuring value for the Company.

Audit findings discussions: The ARMC held discussions with the External Auditors regarding the audit findings and any areas of concern.

(iv) Internal Audit

Internal Audit Planning: The ARMC reviewed and approved the Internal Audit Planning for the Financial Year Ending 31 December 2025, ensuring alignment with the Group's risk management priorities.

Internal Audit Scope: The ARMC reviewed and approved the scope of the internal audit function, ensuring it was adequate to cover all key risk areas.

Internal Audit Reports: The ARMC reviewed Internal Audit Reports, specifically focusing on the Risk Management Framework and Sustainability Reporting Process and monitored management's responses to the audit findings.

(v) Related Party Transactions (RPT), Recurrent Related Party Transactions (RRPT) and Conflict of Interest ("COI")/ Potential Conflict of Interest

The ARMC monitors, reviews and reports to the Board any RPT, RRPT and COI situation that arose, persist or may arise within the Company or Group, including any transaction, procedures or course of conduct that raises questions of management integrity and the measures taken to resolve, eliminate, or mitigate such conflicts.

In reviewing any RPT or RRPT, the ARMC shall review the terms thereof to determine whether such RPT or RRPT will be conducted at arm's length basis and on normal commercial terms in the ordinary course of business and on terms not more favourable to the related party than those generally available to the public and will not prejudice the shareholders or disadvantage to the Group.

(vi) Revision of the Terms of Reference and Policies

The ARMC endorsed the revision of the ARMC TOR and Policies to strengthen oversight, align with regulations and enhance transparency.

(vii) Others

The ARMC ensured that all activities were carried out in accordance with its terms of reference.

The ARMC monitored compliance with all relevant laws and regulations.

The ARMC held regular meetings throughout the year, with minutes recorded and circulated to the Board.

The ARMC is satisfied that it has discharged its responsibilities effectively and will continue to uphold high standards of corporate governance, financial integrity and risk management.

INTERNAL AUDIT FUNCTION

Subsequent to the listing on 26 January 2024, the Group outsourced the internal audit function to Baker Tilly. During the FYE 2025, Baker Tilly conducted internal audit work covering two key areas, which were identified based on the Group's risk profile. The findings and recommendations from these audits were presented to the ARMC and the Board.

The results of the internal audit reviews were reported to the ARMC on a quarterly basis. These reports highlighted the internal control weaknesses identified, together with recommendations for improvement. Follow up reviews were also conducted to monitor the implementation status of management action plans, and the progress was reported to the ARMC. Internal audit cost incurred during the FYE 2025 is RM50,000.

A summary of the work of the internal audit function for the FYE 2025 is as follows:

- a. Formulated the internal audit plan and presented the plan for the ARMC's review and approval;
- b. Executed the internal audit reviews covering the following business processes or areas in accordance with the approved audit plan:
 - Information Technology & Cybersecurity Controls
 - Expense and Revenue Budgeting Process Review (Company Level & Projects)

The internal audit reviews carried out during the FYE 2025 did not reveal weaknesses that have resulted in any material losses, contingencies or uncertainties that would require separate disclosure in this Annual Report.

ARMC EFFECTIVENESS REVIEW AND PERFORMANCE

During the year under review, the Board assessed the performance of the ARMC through an annual BE. The Board strongly agrees that the ARMC had fulfilled its duties, responsibilities and functions in accordance with its TOR. Moreover, the Board acknowledged that the ARMC had continued to provide valuable assistance to the Board in reviewing financial and audit matters, which contributed to the overall effectiveness of the decision-making process.

REPORTING TO THE EXCHANGE

In 2025, the ARMC was of the view that KJTS had complied fully with the ACE LR of Bursa Securities and as such, the reporting to Bursa Securities under Rule 15.16 of the ACE LR is not required.

The ARMC Report was approved by the Board on 20 April 2026.

STATEMENT OF DIRECTORS' RESPONSIBILITY

As Directors of KJTS Group Berhad, we acknowledge our responsibility for the integrity and accuracy of the financial and other information included in our Company's Annual Report, interim reports and other financial disclosures. We confirm that the financial statements have been prepared in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act 2016 so as to give a true and fair view of the state of affairs of the Group and of the Company at the end of the financial year and the results and cash flows of the Group and of the Company for the financial year then ended. We have implemented and maintained internal controls to ensure the reliability of financial reporting and the safeguarding of Company assets. We have disclosed all relevant information regarding significant risks and other matters that may affect the Group's and the Company's performance or financial position. We have complied with all applicable laws, regulations and corporate governance requirements in the preparation and presentation of the financial statements and other disclosures.

This statement is made in accordance with our duties as Directors and is based on our understanding of the Group's and the Company's operations and financial position. We acknowledge our responsibility to shareholders, regulators and other stakeholders to maintain the highest standards of corporate governance and transparency.

FINANCIAL STATEMENTS

> ANNUAL REPORT 2025



84	Directors' Report
89	Statement by Directors
89	Statutory Declaration
90	Independent Auditors' Report to the Members
94	Statements of Financial Position
96	Statements of Profit or Loss and Other Comprehensive Income
97	Statements of Changes in Equity
100	Statements of Cash Flows
103	Notes to the Financial Statements

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 principal activity of the Company is investment holding. The principal activities of the subsidiaries and associates include provision of cooling energy management services, provision of cleaning services, provision of mobile facilities management services and provision of waste management services. The details of the principal activities are set out in Notes 7 and 8 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	18,104,533	1,542,733
Attributable to:		
Owners of the parent	17,982,408	
Non-controlling interests	122,125	
	18,104,533	

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

Dividends paid or declared by the Company since 31 December 2024 is as follows:

	RM
A single-tier interim dividend of 0.406 sen per ordinary share in respect of the financial year ended 31 December 2025, paid on 26 September 2025	2,796,693

The Directors do not recommend the payment of any final dividend in respect of current financial year.

ISSUE OF SHARES AND DEBENTURES

During the financial year, the Company has increased its issued and paid-up share capital from 688,000,000 units of ordinary shares to 689,522,635 units of ordinary shares by way of issuance of 1,522,635 units of new ordinary shares from the exercise of options under the Company's executives' share option scheme ("ESOS") at exercise prices ranging from RM0.27 to RM0.72 per share amounting to RM1,921,461.

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

There was no issuance of debentures during the financial year.

OPTIONS GRANTED OVER UNISSUED SHARES

No options were granted to any person to take up unissued shares of the Company during the financial year apart from the issue of options pursuant to the Long-term Incentive Plan ("LTIP").

DIRECTORS' REPORT

LONG-TERM INCENTIVE PLAN ("LTIP")

On 23 January 2024, the Company has established a LTIP of up to 10% of the total number of issued shares of the Company, comprising executives' share option scheme ("ESOS") and executives' share grant scheme ("ESGS"), to be granted to the Eligible Persons of the Group who is eligible executive directors and eligible executives who meet the criteria of eligibility for participation in the LTIP in accordance with the By-Laws. The LTIP shall be in force for a period of 5 years from 23 January 2024.

The share options exercised and forfeited during the financial year are as follows:

	Exercise price	Number of options over ordinary shares ("ESOS")			At 31.12.2025
		At 1.1.2025	Exercised	Forfeited	
Date of offer					
26 January 2024	RM0.27	13,676,000	(891,385)	(671,000)	12,113,615
12 November 2024	RM0.72	13,760,000	(631,250)	(782,500)	12,346,250

The details of the LTIP are disclosed in Note 33 to the financial statements.

DIRECTORS

The Directors in office since the beginning of the current financial year until the date of this report are:

Lee Kok Choon*
 Sheldon Wee Tah Poh*
 Azura Binti Azman
 Elaine Law Soh Ying
 Ng Kok Ken
 Dr. Teoh Pek Loo

* Director of the Company and its subsidiaries

The Directors who held office in the subsidiaries (excluding Directors who are also Directors of the Company) since the beginning of the current financial year until the date of this report are:

Angelina Corrina Fernandez
 Chin Kong Weng
 Kitti Chungsawanant
 Kijja Chingsawanant
 Ratchanida Teeyawanich
 Pradip Kumar Padmasan Menon
 Sarmila A/P Muniandy
 Tan Hui Sean
 Chua Guat Kwee
 Kevin Gerard Quinn
 Goh Eng Hooi

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 thereof.

DIRECTORS' REPORT

DIRECTORS' INTERESTS

The interests in the shares and options over the shares of the Company and of its related corporations (other than wholly-owned subsidiaries) of those who were Directors at financial year end according to the Register of Directors' Shareholdings are as follows:

	At	Number of ordinary shares		At
	1.1.2025	Bought	Sold	31.12.2025
Interests in the Company				
Direct Interests				
Lee Kok Choon	218,118,567	-	(33,000,000)	185,118,567
Sheldon Wee Tah Poh	218,118,567	-	(33,000,000)	185,118,567
Azura Binti Azman	500,000	-	-	500,000
Elaine Law Soh Ying	80,000	-	-	80,000
Ng Kok Ken	400,000	-	-	400,000
Dr. Teoh Pek Loo	360,000	-	-	360,000
Number of ESOS options				
	At			At
	1.1.2025	Granted	Exercised	31.12.2025
Interests in the Company				
Direct Interests				
Lee Kok Choon	1,876,000	-	-	1,876,000
Sheldon Wee Tah Poh	1,876,000	-	-	1,876,000

By virtue of their interests in the shares of the Company, Lee Kok Choon and Sheldon Wee Tah Poh are also deemed interested in the shares of all the subsidiaries during the financial year to the extent that the Company has an interest under Section 8 of the Companies Act 2016.

DIRECTORS' BENEFITS

Since the end of the previous financial year, no Director of the Company has received or become entitled to receive a benefit (other than a benefit included in the aggregate amount of remuneration received or due and receivable by Directors as disclosed in the "Directors' Remuneration" of this report) 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, except for any benefits which may be deemed to arise from transactions entered into the ordinary course of business with companies which certain Directors have substantial financial interests as disclosed in Note 36(b) to the financial statements.

Neither during nor at the end of the financial year was the Group or the Company a party to any arrangement whose object is 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 other than the share options granted to certain directors pursuant to the ESOS of the Company.

DIRECTORS' REPORT

DIRECTORS' REMUNERATION

The details of the Directors' remuneration of the Group and of the Company for the financial year ended 31 December 2025 are as follows:

	Group RM	Company RM
Executive Directors		
Salaries and other emoluments	3,133,526	1,584,000
Defined contribution plans	372,546	190,080
Social security contributions	5,818	2,500
Employment insurance scheme	429	286
Share options granted under ESOS	485,692	485,692
Other employee benefits	4,988	4,988
	4,002,999	2,267,546
Non-Executive Directors		
Fees	276,000	276,000
	4,278,999	2,543,546

The Group's and the Company's Directors' remuneration do not include the estimated monetary value of benefits-in-kind amounting to RM122,000 and RM56,000 respectively.

INDEMNITY AND INSURANCE COSTS

During the financial year, the total amount of indemnity coverage and insurance premium paid for the Directors and certain officers of the Group and of the Company were RM5,000,000 and RM11,000 respectively. No indemnity given to or insurance effected for auditors of the Company in accordance with Section 289 of the Companies Act 2016 in Malaysia.

SUBSIDIARIES

The details of the subsidiary name, place of incorporation, principal activities and percentage of issued share capital held by the Company in each subsidiary are disclosed in Note 7 to the financial statements.

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 there were no bad debts to be written off and 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 it necessary to write off any bad debts or the amount of the allowance for doubtful debts in the financial statements of the Group and of the Company inadequate to any substantial extent; or
 - (ii) which would render the values attributed to current assets in the financial statements of the Group and of the Company misleading; or
 - (iii) not otherwise dealt with in this report or the financial statements of the Group and of the Company which would render any amount stated in the financial statements misleading; or
 - (iv) which have arisen which would render adherence to the existing method of valuation of assets or liabilities of the Group and of the Company misleading or inappropriate.

DIRECTORS' REPORT

OTHER STATUTORY INFORMATION (Cont'd)

- (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 or 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 affect the ability of the Group and of the Company to meet their obligations as and when they fall due;
 - (ii) the result 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.

SUBSEQUENT EVENTS

The subsequent events are disclosed in Note 41 to the financial statements.

AUDITORS' REMUNERATION

The details of auditors' remuneration for the financial year ended 31 December 2025 are as follows:

	Group RM	Company RM
Auditors' remuneration		
Audit fees		
- UHY Malaysia PLT	255,500	112,000
- Member firm of UHY International	63,708	-
- Other auditor	127,400	-
- Non-statutory audit - UHY Malaysia PLT	12,500	12,500
	459,108	124,500

AUDITORS

The Auditors, UHY Malaysia PLT, have expressed their willingness to continue in office.

Signed on behalf of the Board of Directors in accordance with a resolution of the Directors dated 20 April 2026.

LEE KOK CHOON

SHELDON WEE TAH POH

STATEMENT BY DIRECTORS

Pursuant to Section 251(2) of the Companies Act 2016 in Malaysia

We, the undersigned, being two of the Directors of KJTS Group Berhad, do hereby state that, in the opinion of the Directors, the accompanying financial statements are drawn up in accordance with Malaysian Financial Reporting Standards, IFRS Accounting 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 31 December 2025.

Signed on behalf of the Board of Directors in accordance with a resolution of the Directors dated 20 April 2026.

LEE KOK CHOON

SHELDON WEE TAH POH

STATUTORY DECLARATION

Pursuant to Section 251(1)(b) of the Companies Act 2016 in Malaysia

I, Lee Kok Choon, being the Director primarily responsible for the financial management of KJTS Group Berhad, do solemnly and sincerely declare that to the best of my knowledge and belief, the accompanying financial statements 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 20 April 2026)

LEE KOK CHOON

Before me,

ZAINUL ABIDIN BIN AHMAD
No.W790
 COMMISSIONER OF OATHS

INDEPENDENT AUDITORS' REPORT

To The Members of KJTS Group Berhad [Registration No.: 202201020004 (1465701-T)] (Incorporated in Malaysia)

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

Opinion

We have audited the financial statements of KJTS Group 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 94 to 164.

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 their cash flows for the financial year then ended in accordance with Malaysian Financial Reporting Standards, IFRS Accounting 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 matters that, in our professional judgement, were of most significance in our audit of the financial statements of the Group and of the Company for the current financial year. These matters were addressed in the context of our audit of the financial statements of the Group and of the Company as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key audit matters	How we addressed the key audit matters
<p>Revenue and cost recognition for construction contracts</p> <p>Refer to Note 2(c) (Significant accounting judgements, estimates and assumptions) and Note 27 (Revenue).</p> <p>The Group is involved in construction contracts which span more than one accounting period.</p> <p>The revenue from construction contracts is recognised over the period of the contracts by reference to the progress towards complete satisfaction of the performance obligation. The progress towards complete satisfaction of the performance obligation is measured based on the Group's efforts or inputs to the satisfaction of the performance obligation by reference to the costs incurred to date as a percentage of the estimated total costs of the project.</p> <p>We identified revenue and construction costs as key audit matter because it requires significant management judgement and estimates are involved in determining the total construction costs.</p>	<p>We obtained an understanding of the relevant controls put in place by the Group in respect of revenue recognition for construction contracts and performed procedures to evaluate design and implementation of such controls.</p> <p>We evaluated whether the accounting policy adopted by the management is consistent with the requirements of MFRS 15 <i>Revenue from Contracts with Customers</i>.</p> <p>We performed a range of audit procedures which included reviewing contract documentation, variation orders, and enquiring key personnel relating to status of on-going contracts, adjustments for construction costs and potential impairment losses.</p> <p>We agreed construction costs to signed original contracts, letter of awards and approved variation orders.</p>

INDEPENDENT AUDITORS' REPORT

To The Members of KJTS Group Berhad [Registration No.: 202201020004 (1465701-T)] (Incorporated in Malaysia)

Key Audit Matters (Cont'd)

Key audit matters	How we addressed the key audit matters
<p>Revenue and cost recognition for construction contracts (Cont'd)</p> <p>Key management judgements include:</p> <ul style="list-style-type: none"> (a) Estimating the budgeted costs to complete the project; (b) The future profitability of the project; and (c) The percentage of completion at the end of the reporting period. <p>Changes in these significant judgements could lead to a material impact on revenue recognition.</p>	<p>We evaluated the project progress and recovery of costs to supporting evidence including but not limited to verification of third-party surveyors' certificates, progress report and interviews with project team.</p> <p>We reviewed management's computation of percentage of completion of construction contracts.</p> <p>In assessing management's assumptions in estimating the costs to completion for contracts, we verified the budgeted costs to sub-contractors' contracts. We verified the construction costs incurred to date to sub-contractors' progress claims and recalculated the percentage of completion at the end of the reporting period.</p> <p>We have considered the adequacy of the Group's disclosures on revenue and whether they are in accordance with MFRS 15 <i>Revenue from Contracts with Customers</i>.</p>
<p>Impairment on trade receivables</p> <p>Refer to Note 2(c) (Significant accounting judgements, estimates and assumptions) and Note 14 (Trade receivables).</p> <p>The Group's trade receivables amounting to approximately RM49 million represents about 24% of the Group's total assets as at 31 December 2025.</p> <p>We focused on this area due to the significance of the trade receivables amount as at reporting date and it is subject to credit risk exposure.</p> <p>The impairment assessment involves significant management judgements and there is inherent uncertainty in the assumptions applied by the management to determine the level of allowance for impairment loss. This is considered a key audit matter due to the inherent subjectivity in nature and requires us to exercise significant judgement in relation to recoverability of the receivables.</p>	<p>We have reviewed the Group's receivables to determine whether there are any indication of impairment. Our impairment review is focused towards trade receivables which are overdue but not impaired as at 31 December 2025.</p> <p>We assessed the reasonableness of the methods and assumptions used by the management in estimating the recoverable amount and impairment loss for both specific impairment and expected credit loss. We also tested the accuracy and completeness of the data used by the management.</p> <p>We developed our understanding on trade receivables which exposes a high risk of default through review of the trade receivables ageing analysis and discussion with the management.</p> <p>We reviewed the adequacy of the impairment loss and enquired the management regarding the recoverability of samples of trade receivables that are individually significant and group of receivables with similar credit risk characteristics. We examined the repayment patterns and obtained evidence of cash receipts where these have been received.</p>

We have determined that there is no key audit matter in the audit of the financial statements of the Company to be communicated in our Auditors' report.

INDEPENDENT AUDITORS' REPORT

To The Members of KJTS Group Berhad [Registration No.: 202201020004 (1465701-T)] (Incorporated in Malaysia)

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 the other information, we are required to report that fact. We have nothing to report in this regard.

RESPONSIBILITIES OF THE DIRECTORS FOR THE FINANCIAL STATEMENTS

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

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

AUDITORS' RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

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

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

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

INDEPENDENT AUDITORS' REPORT

To The Members of KJTS Group Berhad [Registration No.: 202201020004 (1465701-T)] (Incorporated in Malaysia)

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)

- Evaluate the overall presentation, structure and content of the financial statements of the Group and of the Company, including the disclosures, and whether the financial statements of the Group and of the Company represent the underlying transactions and events in a manner that achieves fair presentation.
- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the group as a basis for forming an opinion on the financial statements of the Group. We are responsible for the direction, supervision and review of the audit work performed for the purposes of the group audit. We remain solely responsible for our audit opinion.

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

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

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

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

In accordance with the requirements of the Companies Act 2016 in Malaysia, we report that the subsidiaries of which we have not acted as auditors, are disclosed in Note 7 to the financial statements.

OTHER MATTERS

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

UHY Malaysia PLT

202406000040 (LLP0041391-LCA) & AF 1411

Chartered Accountants

LEE YIK LOONG

Approved Number: 03630/12/2027 J

Chartered Accountant

KUALA LUMPUR

20 April 2026

STATEMENTS OF FINANCIAL POSITION

As at 31 December 2025

		Group		Company	
	Note	2025 RM	2024 RM	2025 RM	2024 RM
ASSETS					
Non-Current Assets					
Property, plant and equipment	4	3,049,745	1,590,794	415,231	229,222
Right-of-use assets	5	2,772,502	3,499,169	-	-
Investment properties	6	663,092	670,000	-	-
Investment in subsidiaries	7	-	-	41,827,570	41,827,570
Investment in associates	8	860,980	838,732	-	-
Goodwill on consolidation	9	1,808,278	1,808,278	-	-
Concession receivables	10	17,295,911	14,140,741	-	-
Other receivables	11	25,835	597,615	-	-
		26,476,343	23,145,329	42,242,801	42,056,792
Current Assets					
Inventories	12	113,343	105,708	-	-
Short-term investments	13	41,580,296	58,254,921	38,823,866	49,932,512
Concession receivables	10	1,645,774	1,996,208	-	-
Trade receivables	14	48,859,809	26,833,965	-	-
Other receivables	11	19,215,751	10,642,342	12,786,949	9,100,726
Contract assets	15	46,168,621	15,697,623	-	-
Amount due from subsidiaries	16	-	-	10,161,337	440,417
Amount due from associates	17	2,830,466	2,487,010	-	-
Tax recoverable		1,062,194	1,259,955	351,664	100,000
Deposits, bank and cash balances	18	16,464,136	9,301,625	108,875	117,101
		177,940,390	126,579,357	62,232,691	59,690,756
Total Assets		204,416,733	149,724,686	104,475,492	101,747,548
EQUITY AND LIABILITIES					
EQUITY					
Share capital	19	101,041,101	99,119,640	101,041,101	99,119,640
Reserves	20	(30,721,262)	(32,398,288)	4,404,071	2,412,704
Retained earnings/(Accumulated losses)		62,527,750	47,210,654	(1,501,142)	(247,182)
Equity attributable to owners of the parent		132,847,589	113,932,006	103,944,030	101,285,162
Non-controlling interests		(136,287)	(220,856)	-	-
Total Equity		132,711,302	113,711,150	103,944,030	101,285,162

STATEMENTS OF FINANCIAL POSITION

As at 31 December 2025

	Note	Group		Company	
		2025 RM	2024 RM	2025 RM	2024 RM
LIABILITIES					
Non-Current Liabilities					
Bank borrowings	21	6,679,942	3,052,392	-	-
Lease liabilities	22	1,455,674	2,156,488	-	-
Employee benefit obligations	23	24,369	101,005	-	-
Deferred tax liabilities	24	3,767	3,767	-	-
		8,163,752	5,313,652	-	-
Current Liabilities					
Trade payables	25	23,944,313	13,620,474	-	-
Other payables	26	32,607,792	13,205,555	531,462	407,386
Contract liabilities	15	1,090,928	1,086,708	-	-
Amount due to a subsidiary	16	-	-	-	55,000
Bank overdrafts	21	957,712	137	-	-
Bank borrowings	21	1,598,249	1,341,302	-	-
Lease liabilities	22	1,184,775	1,169,847	-	-
Tax payable		2,157,910	275,861	-	-
		63,541,679	30,699,884	531,462	462,386
Total Liabilities		71,705,431	36,013,536	531,462	462,386
Total Equity and Liabilities		204,416,733	149,724,686	104,475,492	101,747,548

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	
		2025 RM	2024 RM	2025 RM	2024 RM
Revenue	27	212,454,330	137,745,545	10,000,000	11,400,000
Cost of sales		(159,844,198)	(99,994,671)	-	-
Gross profit		52,610,132	37,750,874	10,000,000	11,400,000
Other income		3,272,038	3,093,567	1,571,069	1,595,745
Administrative expenses		(30,645,015)	(30,078,759)	(10,028,336)	(11,328,272)
Changes on impairment of financial instruments and contract assets		(34,224)	(116,830)	-	-
Finance costs	28	(681,073)	(391,255)	-	-
Share of results of associates, net of tax		21,406	17,183	-	-
Profit before tax	29	24,543,264	10,274,780	1,542,733	1,667,473
Taxation	30	(6,438,731)	(2,023,933)	-	-
Profit for the financial year		18,104,533	8,250,847	1,542,733	1,667,473
Other comprehensive (loss)/income					
<i>Items that are or may be reclassified subsequently to profit or loss</i>					
Exchange translation differences for foreign operations		(353,641)	(479,835)	-	-
Share of other comprehensive income of an associate		842	6,860	-	-
		(352,799)	(472,975)	-	-
<i>Item will not be reclassified subsequently to profit or loss</i>					
Actuarial gain recognised in employees' retirement benefits		131,381	-	-	-
Other comprehensive loss for the financial year		(221,418)	(472,975)	-	-
Total comprehensive income for the financial year		17,883,115	7,777,872	1,542,733	1,667,473
Profit for the financial year attributable to:					
Owners of the parent		17,982,408	8,099,527	1,542,733	1,667,473
Non-controlling interests		122,125	151,320	-	-
		18,104,533	8,250,847	1,542,733	1,667,473
Total comprehensive income for the financial year attributable to:					
Owners of the parent		17,799,448	7,649,124	1,542,733	1,667,473
Non-controlling interests		83,667	128,748	-	-
		17,883,115	7,777,872	1,542,733	1,667,473
Earnings per share (sen)	31				
Basic		2.61	1.20		
Diluted		2.56	1.19		

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 parent									
	Non-distributable					Distributable				
	Share capital RM	Merger reserve RM	Foreign currency translation reserve RM	ESOS reserve RM	Other reserve RM	Retained earnings RM	Total RM	Non-controlling interests RM	Total equity RM	
Group										
At 1 January 2025	99,119,640	(34,937,690)	129,427	2,412,704	(2,729)	47,210,654	113,932,006	(220,856)	113,711,150	
Profit for the financial year	-	-	-	-	-	17,982,408	17,982,408	122,125	18,104,533	
Other comprehensive (loss)/income for the financial year	-	-	(314,341)	-	-	131,381	(182,960)	(38,458)	(221,418)	
Total comprehensive (loss)/ income for the financial year	-	-	(314,341)	-	-	18,113,789	17,799,448	83,667	17,883,115	
Transactions with owners:										
Capital contribution from non-controlling interests	-	-	-	-	-	-	-	902	902	
Issuance of shares	1,921,461	-	-	(1,224,772)	-	-	696,689	-	696,689	
ESOS granted	-	-	-	3,486,022	-	-	3,486,022	-	3,486,022	
ESOS forfeited	-	-	-	(269,883)	-	-	(269,883)	-	(269,883)	
Dividends to owners of the Company	-	-	-	-	-	(2,796,693)	(2,796,693)	-	(2,796,693)	
	1,921,461	-	-	1,991,367	-	(2,796,693)	1,116,135	902	1,117,037	
At 31 December 2025	101,041,101	(34,937,690)	(184,914)	4,404,071	(2,729)	62,527,750	132,847,589	(136,287)	132,711,302	

STATEMENTS OF CHANGES IN EQUITY

For the Financial Year Ended 31 December 2025

Note	Attributable to owners of the parent									
	Non-distributable					Distributable				
	Share capital RM	Merger reserve RM	Foreign currency translation reserve RM	ESOS reserve RM	Other reserve RM	Retained earnings RM	Total RM	Non-controlling interests RM	Total equity RM	
Group (Cont'd)										
At 1 January 2024	41,827,670	(34,937,690)	579,830	-	75,536	42,724,158	50,269,504	(277,918)	49,991,586	
Profit for the financial year	-	-	-	-	-	8,099,527	8,099,527	151,320	8,250,847	
Other comprehensive loss for the financial year	-	-	(450,403)	-	-	-	(450,403)	(22,572)	(472,975)	
Total comprehensive (loss)/income for the financial year	-	-	(450,403)	-	-	8,099,527	7,649,124	128,748	7,777,872	
Transactions with owners:										
Changes in equity interest in a subsidiary	-	-	-	-	(78,265)	-	(78,265)	(71,735)	(150,000)	
Capital contribution from non-controlling interest	-	-	-	-	-	-	-	49	49	
Issuance of shares	58,867,344	-	-	-	-	-	58,867,344	-	58,867,344	
Share issuance expenses	(1,575,374)	-	-	-	-	-	(1,575,374)	-	(1,575,374)	
ESOS granted	-	-	-	2,425,430	-	-	2,425,430	-	2,425,430	
ESOS forfeited	-	-	-	(12,726)	-	12,726	-	-	-	
Dividends to owners of the company	-	-	-	-	-	(3,625,757)	(3,625,757)	-	(3,625,757)	
At 31 December 2024	57,291,970	(34,937,690)	129,427	2,412,704	(78,265)	(3,613,031)	56,013,378	(71,686)	55,941,692	
At 31 December 2025	99,119,640	(34,937,690)	129,427	2,412,704	(2,729)	47,210,654	113,932,006	(220,856)	113,711,150	

STATEMENTS OF CHANGES IN EQUITY

For the Financial Year Ended 31 December 2025

		Non-distributable		Distributable	
		Share capital	ESOS reserve	Retained earnings/ (Accumulated losses)	Total equity
	Note	RM	RM	RM	RM
Company					
At 1 January 2024		41,827,670	-	1,698,376	43,526,046
Profit for the financial year, representing total comprehensive income for the financial year		-	-	1,667,473	1,667,473
Transactions with owners:					
Issuance of shares	19	58,867,344	-	-	58,867,344
Share issuance expenses	19	(1,575,374)	-	-	(1,575,374)
ESOS granted	20(d)	-	2,425,430	-	2,425,430
ESOS forfeited	20(d)	-	(12,726)	12,726	-
Dividends to owners of the Company	32	-	-	(3,625,757)	(3,625,757)
At 31 December 2024		99,119,640	2,412,704	(247,182)	101,285,162
Company					
At 1 January 2025		99,119,640	2,412,704	(247,182)	101,285,162
Profit for the financial year, representing total comprehensive income for the financial year		-	-	1,542,733	1,542,733
Transactions with owners:					
Issuance of shares	19	1,921,461	(1,224,772)	-	696,689
ESOS granted	20(d)	-	3,486,022	-	3,486,022
ESOS forfeited	20(d)	-	(269,883)	-	(269,883)
Dividends to owners of the Company	32	-	-	(2,796,693)	(2,796,693)
At 31 December 2025		101,041,101	4,404,071	(1,501,142)	103,944,030

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	
	2025 RM	2024 RM	2025 RM	2024 RM
Operating Activities				
Profit before tax	24,543,264	10,274,780	1,542,733	1,667,473
Adjustments for:				
Deposit forfeited	-	27,000	-	-
Depreciation of:				
- investment properties	6,908	8,673	-	-
- property, plant and equipment	1,048,055	686,290	179,156	19,525
- right-of-use assets	1,264,994	914,607	-	-
- Finance costs	686,259	394,530	-	-
Impairment losses on:				
- amount due from associates	-	105,078	-	-
- contract assets	-	7,923	-	-
- investment in associates	-	38,677	-	-
- investment properties	-	171,327	-	-
- trade receivables	34,224	4,160	-	-
Property, plant and equipment written off	-	308	-	-
Provision for employee benefits	55,568	22,604	-	-
Dividend income from financial assets				
measured at fair value through profit or loss	(1,545,553)	(1,828,358)	(1,361,354)	(1,591,511)
Dividend income from a subsidiary	-	-	(6,700,000)	(9,000,000)
Gain on disposal of property, plant and				
equipment	(243)	(216,000)	-	-
Gain on early termination of lease contracts	-	(1,937)	-	-
Interest income	(139,316)	(132,186)	(209,715)	(2,193)
Reversal of impairment losses on:				
- contract assets	-	(331)	-	-
Share based payment	3,216,139	2,425,430	3,216,139	2,425,430
Share of results of associates	(21,406)	(17,183)	-	-
Unrealised loss/(gain) on foreign exchange	43,335	10,169	-	(806)
Operating profit/(loss) before working capital changes	29,192,228	12,895,561	(3,333,041)	(6,482,082)
Changes in working capital:				
Inventories	(7,635)	(7,351)	-	-
Concession receivables	(2,804,736)	(3,338,111)	-	-
Receivables	(23,511,697)	(5,169,862)	3,013,777	5,328,656
Payables	29,538,304	1,779,584	124,076	(612,579)
Contract assets	(30,470,998)	(5,922,362)	-	-
Contract liabilities	4,220	37,119	-	-
Amount due from associates	(143,250)	(137,052)	-	-
Foreign exchange reserve	(328,575)	(463,754)	-	-
	(27,724,367)	(13,221,789)	3,137,853	4,716,077
Cash used in operations	1,467,861	(326,228)	(195,188)	(1,766,005)
Dividends received	1,545,553	1,828,358	1,361,354	1,591,511
Interest received	96,325	88,887	-	2,193
Interest paid	(539,241)	(308,258)	-	-
Tax refunded	714,185	-	-	-
Tax paid	(5,073,106)	(2,164,349)	(251,664)	(100,000)
Employee defined benefits paid	-	(14,254)	-	-
	(3,256,284)	(569,616)	1,109,690	1,493,704
Net cash (used in)/from operating activities	(1,788,423)	(895,844)	914,502	(272,301)

STATEMENTS OF CASH FLOWS

For the Financial Year Ended 31 December 2025

	Note	Group		Company	
		2025 RM	2024 RM	2025 RM	2024 RM
Investing Activities					
Deposit for new acquisition		(6,550,000)	-	-	-
Investment in an associate	8(a)	-	(29,970)	-	-
Capital contribution by non-controlling interests	7(c)	902	49	-	-
Net changes in amount due from subsidiaries		-	-	(9,511,205)	(440,417)
Net changes in amount due from associates		(157,215)	2,236,771	-	-
Payment for acquisition of equity interest from non-controlling interests	7(b)	-	(150,000)	-	-
Proceeds from disposal of property, plant and equipment		243	216,000	-	-
Purchase of:					
- property, plant and equipment		(2,516,710)	(917,989)	(365,165)	(248,747)
- right-of-use assets	5(b)	(27,800)	(287,521)	-	-
Net cash (used in)/from investing activities		(9,250,580)	1,067,340	(9,876,370)	(689,164)
Financing Activities					
Net changes in amount due to a subsidiary		-	-	(55,000)	(2,657,817)
Dividends paid		(2,799,275)	(3,623,175)	(2,796,693)	(3,623,175)
Payment of lease liabilities		(1,212,597)	(814,605)	-	-
Drawdown of bank borrowings		5,528,756	1,555,471	-	-
Repayment of bank borrowings		(1,644,259)	(937,455)	-	-
Payment of share issuance expenses		-	(1,575,374)	-	(1,575,374)
Proceeds from issuance of shares		696,689	58,867,344	696,689	58,867,344
Increase in fixed deposit pledged to a licensed bank		(56,466)	(60,565)	-	-
Net cash from/(used in) financing activities		512,848	53,411,641	(2,155,004)	51,010,978
Net changes in cash and cash equivalents		(10,526,155)	53,583,137	(11,116,872)	50,049,513
Cash and cash equivalents at the beginning of the financial year		65,207,421	11,625,129	50,049,613	100
Effect of exchange translation differences on cash and cash equivalents		-	(845)	-	-
Cash and cash equivalents at the end of the financial year		54,681,266	65,207,421	38,932,741	50,049,613
Cash and cash equivalents at the end of the financial year comprises:					
Short-term investments	13	41,580,296	58,254,921	38,823,866	49,932,512
Fixed deposit with a licensed bank	18	2,405,454	2,348,988	-	-
Cash and bank balances	18	14,058,682	6,952,637	108,875	117,101
Bank overdrafts		(957,712)	(137)	-	-
		57,086,720	67,556,409	38,932,741	50,049,613
Less: Fixed deposit pledged to a licensed bank	18	(2,405,454)	(2,348,988)	-	-
		54,681,266	65,207,421	38,932,741	50,049,613

STATEMENTS OF CASH FLOWS

For the Financial Year Ended 31 December 2025

Cash flows for leases as a lessee

		Group		Company	
	Note	2025 RM	2024 RM	2025 RM	2024 RM
Included in operating activities:					
Interest paid in relation to lease liabilities	28	183,418	105,330	-	-
Lease expenses relating to:					
- short-term leases	29	1,466,366	1,787,586	-	-
Included in financing activities:					
Payment of lease liabilities	22	1,212,597	814,605	-	-
Total cash outflows for leases		2,862,381	2,707,521	-	-

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

NOTES TO THE FINANCIAL STATEMENTS

31 December 2025

1. CORPORATE INFORMATION

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

The principal place of business is located at Suite 3.03, Level 3, Wisma E & C, No. 2, Lorong Dungun Kiri, Damansara Heights, 50490 Kuala Lumpur.

The registered office of the Company is located at Unit 30-01, Level 30, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur.

The principal activity of the Company is investment holding. The principal activities of the subsidiaries and associates include provision of cooling energy management services, provision of cleaning services, provision of mobile facilities management services and provision of waste management services. The details of the principal activities are set out in Notes 7 and 8 to the financial statements. There have been no significant changes in the nature of these activities during the financial year.

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 ("MFRS"), IFRS Accounting Standards 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 material accounting policy information below.

Adoption of amendments to MFRSs during the financial year

During the financial year, the Group and the Company have adopted all the amendments to standards issued by the Malaysian Accounting Standards Board ("MASB") that are mandatory for current financial year.

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

Standards issued but not yet effective

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

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

The Group and the Company intend to adopt the above new standards and amendments to standards, if applicable, when they become effective.

NOTES TO THE FINANCIAL STATEMENTS

31 December 2025

2. BASIS OF PREPARATION (Cont'd)

(a) Statement of compliance (Cont'd)

Standards issued but not yet effective (Cont'd)

The initial application of the above-mentioned new standards and amendments to standards are not expected to have any significant impacts on the financial statements of the Group and of the Company except as disclosed below:

MFRS 18 *Presentation and Disclosure in Financial Statements*

MFRS 18 will replace MFRS 101 *Presentation of Financial Statements*. It preserves the majority requirements of MFRS 101 while introducing additional requirements. In addition, narrow-scope amendments have been made to MFRS 107 *Statement of Cash Flows* and some requirements of MFRS 101 have been moved to MFRS 108 *Basis of Preparation of Financial Statements*.

MFRS 18 additional requirements are as follows:

(i) Statement of Profit or Loss and Other Comprehensive Income

MFRS 18 introduces newly defined "operating profit or loss" and "profit or loss before financing and income tax" subtotal which are to be presented in the statement of profit or loss, while the net profit or loss remains unchanged. Statement of profit or loss to be presented in five categories: operating, investing, financing, income taxes and discontinued operations.

(ii) Statement of Cash Flows

The standard modifies the starting point for calculating cash flows from operations using the indirect method, shifting from "profit or loss" to "operating profit or loss". It also provides guidance on classification of interest and dividend in statement of cash flows.

(iii) New disclosures of expenses by nature

Entities are required to present expenses in the operating category by nature, function or a mix of both. MFRS 18 includes guidance for entities to assess and determine which approach is most appropriate based on the facts and circumstances.

(iv) Management-defined Performance Measures ("MPMs")

The standard requires disclosure of explanations of the entity's company-specific measures that are related to the statement of profit or loss, referred to MPMs. MPMs are required to be reconciled to the most similar specified subtotal in MFRS Accounting Standards.

(v) Enhanced Guidance on Aggregation and Disaggregation

MFRS 18 provides enhanced guidance on grouping items based on shared characteristics and requires disaggregation when items have dissimilar characteristics or when such disaggregation is material.

The potential impact of the new standard on the financial statements of the Group and of the Company have yet to be assessed.

(b) Functional and presentation currency

The 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 amount of the asset or liability affected in the future.

NOTES TO THE FINANCIAL STATEMENTS

31 December 2025

2. BASIS OF PREPARATION (Cont'd)

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

Judgements

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

Control over KJTN Engineering Co., Ltd.

KJTN Engineering Co., Ltd. ("KJTN Engineering") is a subsidiary of KJ Technical Services Sdn. Bhd. ("KJ Technical Services") even though KJ Technical Services owns less than half of the ownership interest in this entity and less than half of their voting power. KJ Technical Services controls KJTN Engineering by virtue of an agreement with its other shareholders. In applying judgement, KJ Technical Services assesses and concludes that it has the power to direct the relevant business activities of KJTN Engineering. KJ Technical Services is able to appoint, remove and set compensation of the key management personnel of KJTN Engineering and actively dominates the decision-making process of KJTN Engineering through its board representatives.

Satisfaction of performance obligations in relation to contracts with customers

The Group and the Company are 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 and the Company recognise revenue over time in the following circumstances:

- (i) the customer simultaneously receives and consumes the benefits provided by the Group's and the Company's performance as the Group and the Company perform;
- (ii) the Group and the Company do not create an asset with an alternative use to the Group and the Company and have an enforceable right to payment for performance completed to date; and
- (iii) the Group's and the Company's performance create or enhance 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 in time, the Group and the Company assess each contract with customers to determine when the performance obligation of the Group and the Company under the contract is satisfied.

Concession service agreements

The Group and the Company have entered into a concessions service agreement for the installation, operation and maintenance of a cooling energy system. The Group and the Company have evaluated based on the terms and conditions of the arrangement, whether the concession service agreement is accounted for using intangible asset model or financial assets model.

The management judged that based on terms and conditions of the arrangement, the Group and the Company have an unconditional contractual right to receive cash from the grantor for the services provided, thus accounting for the concession service arrangements under the financial assets model.

Classification between investment properties and owner-occupied properties

Some properties comprise a portion that is held to earn rentals or for capital appreciation and another portion that is held for use in the production or supply of goods or services or for administrative purposes. If these portions could be sold separately (or leased out separately under a finance lease), the Group account for the portions separately. If the portions could not be sold separately, the property is investment property only if an insignificant portion is held for use in the production or supply of goods or services or for administrative purposes.

NOTES TO THE FINANCIAL STATEMENTS

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:

- (i) Depreciation and useful lives of property, plant and equipment, right-of-use ("ROU") assets and investment properties

The Group and the Company review the residual values, useful lives and depreciation methods at the end of each reporting period. Judgements are applied in the selection of the depreciation method, the useful lives and the residual values. The actual consumption of the economic benefits of the property, plant and equipment, ROU assets and investment properties may differ from the estimates applied and therefore, future depreciation charges could be revised. The carrying amounts of the Group's and of the Company's property, plant and equipment, ROU assets and investment properties are disclosed in Notes 4, 5 and 6 to the financial statements respectively.

- (ii) Impairment assessment of concession financial assets

The Group assesses at each reporting date whether there is any objective evidence that a financial asset is impaired. To determine whether there is objective evidence of impairment, the Group considers factors such as the probability of insolvency or significant financial difficulties of the Grantor, or default or significant delay in payments.

The carrying amount of the Group's concession financial assets at the reporting date are disclosed in Note 10 to the financial statements.

- (iii) Deferred tax assets

Deferred tax assets are recognised for all unused tax losses, unutilised capital allowances and other deductible temporary differences to the extent that it is probable that taxable profit will be available against which the unused tax losses, unutilised capital allowances and other deductible temporary differences can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and level of future taxable profits together with future tax planning strategies. The details of carrying amount of recognised and unrecognised of deferred tax assets are disclosed in Note 24 to the financial statements.

- (iv) Provision for expected credit loss of trade receivables at amortised cost

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

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

The assessment of the correlation between historical observed default rates, forecast economic conditions and expected credit loss is a significant estimate. The Group's historical credit loss experience and forecast of economic conditions may not be representative of customer's actual default in the future. Information about the expected credit loss on the Group's trade receivables is disclosed in Note 14 to the financial statements.

- (v) 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 ROU 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

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)

- (vi) Revenue from construction contracts

Construction revenue and costs are recognised over the period of the contract in the profit or loss by reference to the progress towards complete satisfaction of that performance obligation.

The progress towards complete satisfaction of performance obligation is measured based on the physical proportion of contract work-to-date certified by professional consultants. Significant judgement is required in determining the progress based on the certified work-to-date corroborated by the level of completion of the construction based on actual costs incurred to-date over the estimated total construction costs. The total estimated construction costs are based on approved budgets, which require assessments and judgments to be made on changes in, for example, work scope, changes in costs and costs to completion. In making the judgement, the Group evaluates based on past experience and a continuous monitoring mechanism.

The contract assets and contract liabilities of the Group arising from construction contracts are disclosed in Note 15 to the financial statements.

- (vii) Income taxes

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

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

3. MATERIAL ACCOUNTING POLICY INFORMATION

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

In the Company's separate financial statements, investment in subsidiaries are stated at cost less any accumulated impairment losses. On disposal of such investment, the difference between net disposal proceeds and their carrying amounts are recognised in profit or loss.

Business combination - Merger method

The acquisition of KJ Technical Services resulted in a business involving common control entity since the management of all the entity which took part in the acquisition were controlled by common Directors and under common shareholders before and immediately after the acquisition, and accordingly the accounting treatment is outside the scope of MFRS 3. For such common control business combinations, the merger accounting principles are used to include the assets, liabilities, results, equity changes and cash flows of the combining entity in the consolidated financial statements. The merger method of accounting on a retrospective basis and restated its comparative as if the consolidated had taken place before the start of the earliest year presented in the consolidated financial statements.

NOTES TO THE FINANCIAL STATEMENTS

31 December 2025

3. MATERIAL ACCOUNTING POLICIES (Cont'd)

(a) Basis of consolidation (Cont'd)

(i) Subsidiaries (Cont'd)

Business combination - Merger method (Cont'd)

Under the merger method of accounting, the results of subsidiary are presented as if the merger had been affected throughout the current period. The assets and liabilities combined are accounted for based on the carrying amounts from the perspective of the common control shareholders at the date of transfer. On consolidation, the cost of the merger is cancelled with the values of the shares received. Any resulting credit difference is classified as equity and regarded as a non-distributable reserve. Any resulting debit difference is adjusted against any suitable reserve. Any reserves which are attributable to share capital of the merged entity, to the extent that they have not been capitalised by a debit difference, are reclassified and presented as movement in other reserves.

Business combination - Acquisition method

The Group applies the acquisition method to account for business combinations from the acquisition date, which is the date on which the control is transferred to the Group. Under the acquisition method, the identifiable assets acquired and liabilities assumed are measured at their fair values at the acquisition date. The cost of an acquisition is measured as the aggregate of the fair value of the consideration transferred. Non-controlling interests are stated either at fair value or at the proportionate share of the acquiree's identifiable net assets at the acquisition date.

In a business combination achieved in stages, previously held equity interests in the acquiree are remeasured to fair value at the acquisition date and any corresponding gain or loss is recognised in profit or loss.

The Group measures goodwill as the excess of the cost of an acquisition, as defined above, and the fair values of any previously held interest in the acquiree, over the fair value of the identifiable assets acquired and liabilities assumed at the acquisition date. When the excess is negative, a bargain purchase gain is recognised immediately in profit or loss.

Subsidiaries are consolidated from the date of acquisition, being the date on which the Group obtains control and continue to be consolidated until the date that such control ceases. In preparing the consolidated financial statements, all intra-group balances, income and expenses and unrealised gains or losses resulting from intra-group transactions are eliminated in full. Uniform accounting policies are applied to like transactions and events in similar circumstances.

(ii) Changes in ownership interests in subsidiaries without change of control

The Group treats all changes in its ownership interest in a subsidiary that do not result in a loss of control as equity transactions between the Group and its non-controlling interest holders. Any difference between the Group's proportionate share of net assets before and after the change, and any fair value of consideration received or paid, is recognised directly in equity as transactions with shareholders.

(b) Investment in associates

Investment in associates are accounted for in the consolidated and the Company's financial statements using the equity method less any impairment losses, unless it is classified as held for sale or distribution. The cost of the investment includes transaction costs. The consolidated financial statements include the Group's share of the profit or loss and other comprehensive income of the associates, after adjustments if any, to align the accounting policies with those of the Group, from the date that significant influence commences until the date that significant influence ceases.

NOTES TO THE FINANCIAL STATEMENTS

31 December 2025

3. MATERIAL ACCOUNTING POLICIES (Cont'd)

(c) Property, plant and equipment

(i) Recognition and measurement

Property, plant and equipment are stated at cost less any accumulated depreciation and any accumulated impairment losses.

(ii) Depreciation

Depreciation is recognised in the profit or loss on straight-line basis to write off the cost of each asset to its residual value over its estimated useful life.

Property, plant and equipment are depreciated based on the estimated useful lives of the assets as follows:

Office equipment	3 to 5 years
Furniture and fittings	3 to 5 years
Plant and machinery	6 years
Computers and software	3 years
Motor vehicles	5 years
Renovation	3 to 5 years

(d) Leases

As lessee

(i) Right-of-use ("ROU") assets

ROU assets are initially measured at cost. Subsequent to the initial recognition, the ROU assets are stated at cost less accumulated depreciation and any accumulated impairment losses, and adjusted for any remeasurement of lease liabilities.

The ROU assets are depreciated using the straight-line method from the commencement date to the earlier of the end of the estimated useful lives of the ROU assets or the end of the lease term.

(ii) Lease liabilities

Lease liabilities are initially measured at the present value of the lease payments that are not paid at the commencement date, discounted by using the rate implicit in the lease. If this rate cannot be readily determined, the Group entities use its incremental borrowing rate as the discount rate.

Subsequent to the initial recognition, the lease liabilities are measured at amortised cost and adjusted for any lease reassessment or modifications.

(iii) Short-term leases and leases of low-value assets

The Group has elected not to recognise ROU assets and lease liabilities for short-term leases and leases of low-value assets. The Group recognises the lease payments as an operating expense on a straight-line basis over the term of the lease unless another systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed.

(e) Investment properties

Investment properties are measured at cost, including transaction costs, less any accumulated depreciation and impairment losses.

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

Leasehold buildings	Over the remaining period of the lease
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The residual values, useful lives and depreciation methods are reviewed, and adjusted if appropriate, at each reporting date.

NOTES TO THE FINANCIAL STATEMENTS

31 December 2025

3. MATERIAL ACCOUNTING POLICIES (Cont'd)

(f) Inventories

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

Cost of inventories comprise cost of purchase and other costs incurred in bringing it to their present location and condition are determined on a first-in-first-out basis.

(g) Construction contracts

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

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

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

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

(h) Impairment of assets

(i) Non-financial assets

For the purpose of impairment testing, assets are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or cash-generating units. Subject to operating segment ceiling test, for the purpose of goodwill impairment testing, cash-generating units to which goodwill has been allocated are aggregated so that the level at which impairment testing is performed reflects the lowest level at which goodwill is monitored for internal reporting purposes. The goodwill acquired in a business combination, for the purpose of impairment testing, is allocated to a cash-generating unit or a group of cash-generating units that are expected to benefit from the synergies of the combination.

The recoverable amount of an asset or cash-generating unit is the greater of its value in use and its fair value less costs of disposal. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or cash-generating unit.

An impairment loss is recognised if the carrying amount of an asset or cash-generating unit exceeds its estimated recoverable amount. Impairment loss is recognised in profit or loss. Impairment losses recognised in respect of cash-generating units are allocated first to reduce the carrying amount of any goodwill allocated to the cash-generating unit (group of cash-generating units) and then to reduce the carrying amounts of the other assets in the cash-generating unit (group of cash-generating units) on a pro rata basis.

An impairment loss in respect of goodwill is not reversed. In respect of other assets, impairment losses recognised in prior periods are assessed at the end of each reporting period for any indications that the loss has decreased or no longer exists. An impairment loss is reversed only if there has been a change in the estimates used to determine the recoverable amount since the last impairment loss was recognised.

NOTES TO THE FINANCIAL STATEMENTS

31 December 2025

3. MATERIAL ACCOUNTING POLICIES (Cont'd)

(h) Impairment of assets (Cont'd)

(ii) Financial assets

The Group and the Company recognise an allowance for expected credit losses ("ECLs") for all debt instruments not held at FVTPL.

For trade receivables and other receivables, contract assets and inter-company balances, the Group and the Company apply a simplified approach in calculating ECLs. Therefore, the Group and the Company do not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. The Group and the Company have established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

(i) Concession service arrangement

The Group recognises the estimated consideration received or receivable as a financial asset since the Group has an unconditional right to receive or receivable as a financial asset for the construction services.

(j) Revenue and other income

(i) Revenue from contracts with customers

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

The Group recognises revenue from the following major sources:

(1) Revenue from cooling energy management

Revenue is recognised over time as the customers simultaneously received and consumed the benefits provided by the Group's performance, and the Group has a present right to payment for the services. This is based on the actual customer usage relative to the agreed-upon charging rates.

(2) Revenue from engineering, procurement, construction and commissioning ("EPCC") of cooling energy systems

Revenue is recognised over time as the customers simultaneously received and consumed the benefits provided by the Group's performance, and the Group has a present right to payment for the services.

Revenue is recognised over the period of the contract by measuring the progress towards complete satisfaction of that performance obligation. Revenue is measured on the basis of the entity's efforts or inputs to the satisfaction of a performance obligation relative to the total expected inputs to the satisfaction of that performance obligation. The stage of completion is determined by the proportion of contract costs incurred to-date relative to the estimated total contract costs.

(3) Revenue from cleaning services

Revenue is recognised in the reporting period in which the services are rendered, which simultaneously received and consumed the benefits provided by the Group's performance, and the Group has a present right to payment for the services.

(4) Revenue from facilities management

Revenue is recognised in the reporting period in which the services are rendered, which simultaneously received and consumed the benefits provided by the Group's performance, and the Group has a present right to payment for the services.

NOTES TO THE FINANCIAL STATEMENTS

31 December 2025

3. MATERIAL ACCOUNTING POLICIES (Cont'd)

(j) Revenue and other income (Cont'd)

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

The Group recognises revenue from the following major sources: (Cont'd)

(5) Revenue from building construction

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

Revenue from construction contracts is recognised by reference to the stage of completion. Stage of completion is measured using the input method, which is based on the total actual construction costs incurred-to-date over to the total budgeted costs for each contract.

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 has 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.

(6) Management fees

Management fees are recognised in the reporting period in which the services are rendered, which simultaneously received and consumes the benefits provided by the Group, and the Group has a present right to payment for the services.

(ii) Revenue from other source and other income

(1) Finance income from concession contracts

Finance income from concession contracts are recognised as it accrues using the effective interest method in profit or loss. The notional interest income resulting from the accretion of its financial asset using effective interest method is recognised in the profit or loss.

(2) Interest income

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

(3) Dividend income

Dividend income is recognised when the shareholder's right to receive payment is established.

(k) Contract assets and contract liabilities

The Group's contract asset is the excess of revenue recognised over the billings to-date and deposits or advances received from customers.

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

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

The Group's contract liability is the excess of the billings to-date over the revenue recognised. Contract liabilities are recognised as revenue when the Group performs its obligation under the contracts.

NOTES TO THE FINANCIAL STATEMENTS

31 December 2025

3. MATERIAL ACCOUNTING POLICIES (Cont'd)

(l) Income taxes

Tax expense in profit or loss comprises current and deferred tax. Current tax and deferred tax are recognised in profit or loss except to the extent that it relates to a business combination or items recognised directly in equity or other comprehensive income.

Deferred tax is recognised using the liability method for all temporary differences between the carrying amounts of assets and liabilities in the statements of financial position and their tax bases. Deferred tax is not recognised for the temporary differences arising from the initial recognition of goodwill, the initial recognition of assets and liabilities in a transaction which is not a business combination and that affects neither accounting nor taxable profit or loss. Deferred tax is measured at the tax rates that are expected to be applied to the temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the end of the reporting period.

The measurement of deferred tax is based on the expected manner of realisation or settlement of the carrying amount of the assets and liabilities, at the end of the reporting year. Deferred tax assets and liabilities are not discounted.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.

A deferred tax asset is recognised to the extent that it is probable that future taxable profits will be available against which the temporary difference can be utilised. Deferred tax assets are reviewed at the end of each reporting year and are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

(m) Fair value measurement

Fair value of an asset or a liability is determined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The measurement assumes that the transaction to sell the asset or transfer of the liability takes place either in the principal market or in the absence of a principal market, in the most advantageous market.

For non-financial asset, the fair value measurement takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

When measuring the fair value of an asset or a liability, the Group and the Company use observable market data as far as possible. Fair value is categorised into different levels in a fair value hierarchy based on the input used in the valuation technique as follows:

Level 1 : quoted prices (unadjusted) in active markets for identical assets or liabilities that the Group and the Company can access at the measurement date.

Level 2 : inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.

Level 3 : unobservable inputs for the asset or liability.

The Group and the Company recognise transfers between levels of the fair value hierarchy as of the date of the event or change in circumstances that caused the transfers.

NOTES TO THE FINANCIAL STATEMENTS

31 December 2025

4. PROPERTY, PLANT AND EQUIPMENT

	Office equipment RM	Furniture and fittings RM	Plant and machinery RM	Computers and software RM	Motor vehicles RM	Renovation RM	Total RM
Group							
2025							
Cost							
At 1 January 2025	2,059,848	671,660	1,173,433	384,198	232,472	472,571	4,994,182
Additions	749,242	104,879	943,875	147,437	133,553	437,724	2,516,710
Disposal	(63,601)	(36,415)	-	-	-	-	(100,016)
Exchange differences	(21,561)	(1,730)	(799)	(3,004)	-	(318)	(27,412)
At 31 December 2025	2,723,928	738,394	2,116,509	528,631	366,025	909,977	7,383,464
Accumulated depreciation							
At 1 January 2025	1,458,015	426,605	730,347	249,787	172,404	366,230	3,403,388
Charge for the financial year	448,271	116,251	227,277	89,138	35,594	131,524	1,048,055
Disposal	(63,601)	(36,415)	-	-	-	-	(100,016)
Exchange differences	(13,980)	(1,712)	(282)	(1,731)	-	(3)	(17,708)
At 31 December 2025	1,828,705	504,729	957,342	337,194	207,998	497,751	4,333,719
Carrying amount							
At 31 December 2025	895,223	233,665	1,159,167	191,437	158,027	412,226	3,049,745

NOTES TO THE FINANCIAL STATEMENTS

31 December 2025

4. PROPERTY, PLANT AND EQUIPMENT (Cont'd)

	Office equipment RM	Furniture and fittings RM	Plant and machinery RM	Computers and software RM	Motor vehicles RM	Renovation RM	Total RM
Group							
2024							
Cost							
At 1 January 2024	1,880,377	459,784	948,992	310,114	1,117,160	423,688	5,140,115
Additions	348,871	216,365	225,645	78,381	-	48,727	917,989
Transfer from right-of-use assets	-	-	-	-	106,498	-	106,498
Disposal	-	-	-	-	(991,186)	-	(991,186)
Written off	(138,585)	(1,959)	-	-	-	-	(140,544)
Exchange differences	(30,815)	(2,530)	(1,204)	(4,297)	-	156	(38,690)
At 31 December 2024	2,059,848	671,660	1,173,433	384,198	232,472	472,571	4,994,182
Accumulated depreciation							
At 1 January 2024	1,262,203	372,987	573,971	180,468	1,088,455	325,055	3,803,139
Charge for the financial year	353,138	58,005	156,509	71,553	5,910	41,175	686,290
Transfer from right-of-use assets	-	-	-	-	69,225	-	69,225
Disposal	-	-	-	-	(991,186)	-	(991,186)
Written off	(138,277)	(1,959)	-	-	-	-	(140,236)
Exchange differences	(19,049)	(2,428)	(133)	(2,234)	-	-	(23,844)
At 31 December 2024	1,458,015	426,605	730,347	249,787	172,404	366,230	3,403,388
Carrying amount							
At 31 December 2024	601,833	245,055	443,086	134,411	60,068	106,341	1,590,794
Company							
2025							
Cost							
At 1 January 2025			14,759	187,000	-	46,988	248,747
Additions			122,352	-	242,813	-	365,165
At 31 December 2025			137,111	187,000	242,813	46,988	613,912
Accumulated depreciation							
At 1 January 2025			2,133	10,389	-	7,003	19,525
Charge for the financial year			33,577	62,334	67,582	15,663	179,156
At 31 December 2025			35,710	72,723	67,582	22,666	198,681
Carrying amount							
At 31 December 2025			101,401	114,277	175,231	24,322	415,231

NOTES TO THE FINANCIAL STATEMENTS

31 December 2025

4. PROPERTY, PLANT AND EQUIPMENT (Cont'd)

	Office equipment RM	Furniture and fittings RM	Renovation RM	Computers and software RM	Total RM
Company					
2024					
Cost					
At 1 January 2024	-	-	-	-	-
Additions	14,759	187,000	-	46,988	248,747
At 31 December 2024	14,759	187,000	-	46,988	248,747
Accumulated depreciation					
At 1 January 2024	-	-	-	-	-
Charge for the financial year	2,133	10,389	-	7,003	19,525
At 31 December 2024	2,133	10,389	-	7,003	19,525
Carrying amount					
At 31 December 2024	12,626	176,611	-	39,985	229,222

5. RIGHT-OF-USE ASSETS

	Buildings RM	Motor vehicles RM	Total RM
Group			
2025			
Cost			
At 1 January 2025	2,205,010	3,576,502	5,781,512
Additions	4,463	429,730	434,193
Written off	-	(73,392)	(73,392)
Expiration of lease contracts	(44,625)	-	(44,625)
Modification of lease contracts	-	143,855	143,855
Exchange differences	(37,795)	(70,548)	(108,343)
At 31 December 2025	2,127,053	4,006,147	6,133,200
Accumulated depreciation			
At 1 January 2025	827,217	1,455,126	2,282,343
Charge for the financial year	623,013	641,981	1,264,994
Written off	-	(73,392)	(73,392)
Expiration of lease contracts	(44,625)	-	(44,625)
Exchange differences	(27,898)	(40,724)	(68,622)
At 31 December 2025	1,377,707	1,982,991	3,360,698
Carrying amount			
At 31 December 2025	749,346	2,023,156	2,772,502

NOTES TO THE FINANCIAL STATEMENTS

31 December 2025

5. RIGHT-OF-USE ASSETS (Cont'd)

	Buildings RM	Motor vehicles RM	Total RM
Group			
2024			
Cost			
At 1 January 2024	942,432	2,263,530	3,205,962
Additions	1,195,360	1,704,864	2,900,224
Expiration of lease contracts	(81,318)	-	(81,318)
Early termination of lease contracts	(130,095)	-	(130,095)
Modification of lease contracts	330,003	397,639	727,642
Transfer to property, plant and equipment	-	(106,498)	(106,498)
Written off	-	(586,445)	(586,445)
Exchange differences	(51,372)	(96,588)	(147,960)
At 31 December 2024	2,205,010	3,576,502	5,781,512
Accumulated depreciation			
At 1 January 2024	707,308	1,585,681	2,292,989
Charge for the financial year	324,246	590,361	914,607
Expiration of lease contracts	(81,318)	-	(81,318)
Early termination of lease contracts	(85,129)	-	(85,129)
Transfer to property, plant and equipment	-	(69,225)	(69,225)
Written off	-	(586,445)	(586,445)
Exchange differences	(37,890)	(65,246)	(103,136)
At 31 December 2024	827,217	1,455,126	2,282,343
Carrying amount			
At 31 December 2024	1,377,793	2,121,376	3,499,169

- (a) The carrying amount of right-of-use assets of the Group and of the Company held under lease arrangement are as follows:

	Group	
	2025 RM	2024 RM
Motor vehicles	2,023,156	2,121,376

Leased assets of the Group are pledged as securities for the related lease liabilities as disclosed in Note 22 to the financial statements.

- (b) The aggregate additional costs for the right-of-use assets of the Group during the financial year acquired under lease financing and cash payments are as follows:

	Group	
	2025 RM	2024 RM
Aggregate costs	434,193	2,900,224
Less: Leases financing	(406,393)	(2,612,703)
Cash payments	27,800	287,521

NOTES TO THE FINANCIAL STATEMENTS

31 December 2025

6. INVESTMENT PROPERTIES

	2025 RM	Group 2024 RM
Cost		
At 1 January/31 December	1,101,144	1,101,144
Accumulated depreciation		
At 1 January	36,812	28,139
Charge for the financial year	6,908	8,673
At 31 December	43,720	36,812
Accumulated impairment losses		
At 1 January	394,332	223,005
Charge for the financial year	-	171,327
At 31 December	394,332	394,332
Carrying amount		
At 31 December	663,092	670,000
Fair value		
Leasehold buildings	670,000	670,000

- (a) Investment properties are leasehold buildings with remaining lease period of 94 (2024: 95) years.
- (b) The fair value of the investment properties of the Group has been determined based on valuations performed by independent professional valuers at the end of the reporting period using sales comparison approach. The independent professional qualified valuer holds recognised relevant professional qualifications and have recent experience in the locations and category of the investment properties being valued.

Sales prices of comparable properties in similar location is adjusted for differences in key attributable such as property size and market trend. The most significant input into this valuation approach is the price per square meters of comparable properties. There has been no change to the valuation technique during the financial year.

The Group's investment properties fair value disclosure amount is under Level 3 fair value hierarchy.

NOTES TO THE FINANCIAL STATEMENTS

31 December 2025

7. INVESTMENT IN SUBSIDIARIES

(a) Investment in subsidiaries

	Company	
	2025 RM	2024 RM
At cost		
Unquoted shares in Malaysia	41,827,570	41,827,570

Details of the subsidiaries are as follows:

Name of company	Place of business/ Country of incorporation	Effective interest		Principal activities
		2025 %	2024 %	
Direct interest:				
KJ Technical Services Sdn. Bhd. ("KJ Technical Services")	Malaysia	100	100	Provision of cooling energy management services, engineering, procurement, construction and commissioning ("EPCC") of cooling energy systems, facilities management service and investment holding company.
Indirect interest:				
Held through KJ Technical Services				
- DCS Power Sdn. Bhd.	Malaysia	100	100	Provision of cooling energy management services. @
- KJ Engineering Sdn. Bhd.	Malaysia	100	100	EPCC of cooling energy systems.
- KJ FEM Pte. Ltd. *	Singapore	100	100	Provision of cleaning services.
- KJ Energy Management Sdn. Bhd. ("KJ Energy Management")	Malaysia	100	100	Provision of cooling energy management services.
- Astute MFM Sdn. Bhd. ("Astute MFM")	Malaysia	51	51	Provision of mobile facilities management services.
- AUNOA Solutions Sdn. Bhd. ("AUNOA Solutions")	Malaysia	51	51	Software systems integrator.
- ETC Cleaning Services Sdn. Bhd. ("ETC Cleaning Services")	Malaysia	100	100	Provision of cleaning services.
- KJ Facilities Management Sdn. Bhd. ("KJ Facilities Management")	Malaysia	60	60	Provision of mobile facilities management services. @
- KJTN Engineering Co., Ltd. # ("KJTN Engineering")	Thailand	49	49	Provision of cooling energy management services and EPCC of cooling energy systems.
- KJ Energy Services Sdn. Bhd.	Malaysia	100	100	Provision of cooling energy management services.
- KJGA Sdn. Bhd. ("KJGA")	Malaysia	51	51	Provision of waste management services. @

NOTES TO THE FINANCIAL STATEMENTS

31 December 2025

7. INVESTMENT IN SUBSIDIARIES (Cont'd)

- (a) Investment in a subsidiary (Cont'd)

Details of the subsidiaries are as follows: (Cont'd)

Name of company	Place of business/ Country of incorporation	Effective interest		Principal activities
		2025 %	2024 %	
Indirect interest:				
Held through KJ Technical Services (Cont'd)				
- Green AI Sdn. Bhd. ("Green AI")	Malaysia	70	-	Provision of cooling energy management services and EPCC of cooling energy systems. @
- KJ Cyclect Pte. Ltd. ("KJ Cyclect") *	Singapore	51	-	Provision of residential, commercial and industrial real estate management services. @
- KJTS iHandal Sdn. Bhd. ("KJTS iHandal")	Malaysia	51	-	Provision of energy saving system for commercial and industrial buildings. @

* Audited by member firm of UHY International Limited

Not audited by UHY Malaysia PLT

@ Being the intended principal activities, the subsidiary is dormant as at the date of this report.

- (b) Changes in equity interest

31 December 2024

On 4 April 2024, KJ Technical Services, a wholly-owned subsidiary of the Company, acquired 10,000 units of ordinary shares, representing 10% equity interest in ETC Cleaning Services for a total cash consideration of RM150,000 only. Consequently, KJ Technical Services's equity interest in ETC Cleaning Services increase from 90% to 100% and ETC Cleaning Services became a wholly-owned subsidiary of KJ Technical Services.

The effect of changes in the equity interest in ETC Cleaning Services that is attributable to owners of the Company is as follows:

	Group 2024 RM
Carrying amount of non-controlling interests acquired	71,735
Consideration paid to non-controlling interests	(150,000)
Decrease in parent's equity	(78,265)

- (c) Incorporation of new subsidiaries

31 December 2025

- (i) On 24 December 2024, KJ Technical Services had subscribed for 70 units of ordinary shares in Green AI for total cash consideration of RM70, representing 70% of the total issued share capital of Green AI. Consequently, Green AI became a 70%-owned subsidiary of KJ Technical Services.
- (ii) On 11 April 2025, KJ Technical Services had subscribed for 51 units of ordinary shares in KJ Cyclect for total cash consideration of RM855, representing 51% of the total issued share capital of KJ Cyclect. Consequently, KJ Cyclect became a 51%-owned subsidiary of KJ Technical Services.
- (iii) On 17 June 2025, KJ Technical Services had subscribed for 51 units of ordinary shares in KJTS iHandal for total cash consideration of RM51, representing 51% of the total issued share capital of KJTS iHandal. Consequently, KJTS iHandal became a 51%-owned subsidiary of KJ Technical Services.

NOTES TO THE FINANCIAL STATEMENTS

31 December 2025

7. INVESTMENT IN SUBSIDIARIES (Cont'd)

- (c) Incorporation of new subsidiaries (Cont'd)

31 December 2024

- (i) On 26 June 2024, KJ Technical Services had subscribed for 51 units of ordinary shares in KJGA for total cash consideration of RM51, representing 51% of the total issued share capital of KJGA. Consequently, KJGA became a 51%-owned subsidiary of KJ Technical Services.

- (d) Additional investment

31 December 2024

On 11 September 2024, KJ Energy Management, a wholly-owned subsidiary of KJ Technical Services, increased its issued and paid-up share capital from 100,000 to 150,000 units of ordinary shares. KJ Technical Services has subscribed for an additional 50,000 units of ordinary shares in KJ Energy Management for a total cash consideration of RM50,000.

- (e) Material partly-owned subsidiaries

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

Name of company	Proportion of ownership interests and voting rights held by non-controlling interests		(Loss)/Profit allocated to non-controlling interests		Carrying amount of non-controlling interests	
	2025	2024	2025	2024	2025	2024
	%	%	RM	RM	RM	RM
AUNOA Solutions	49	49	(36,140)	(34,152)	(773,157)	(737,017)
ETC Cleaning Services	-	-	-	8,941	-	-
KJ Facilities Management	40	40	(11,144)	(14,202)	(250,382)	(239,238)
Astute MFM	49	49	(630,238)	(518,803)	(1,612,211)	(981,973)
KJTN Engineering	51	51	851,513	715,410	2,555,728	1,743,197
KJGA	49	49	(4,169)	(5,874)	(9,994)	(5,825)
Green AI	30	-	(26,226)	-	(26,195)	-
KJ Cyclect	49	-	(17,056)	-	(15,709)	-
KJTS iHandal	49	-	(4,415)	-	(4,367)	-
Total non-controlling interests			122,125	151,320	(136,287)	(220,856)

The summarised financial information for each subsidiary that has non-controlling interests that are material to the Group is set out below. The summarised financial information below represents amounts before inter-company elimination.

- (i) Summarised Statements of Financial Position

	AUNOA Solutions RM	KJ Facilities Management RM	Astute MFM RM	KJTN Engineering RM	KJGA RM	Green AI RM	KJ Cyclect RM	KJTS iHandal RM
2025								
Non-current assets	-	-	215,032	16,457,832	-	-	-	-
Current assets	57,431	2,101	1,398,319	9,457,313	49	-	3,314	49
Non-current liabilities	-	-	(147,352)	(6,704,311)	-	-	-	-
Current liabilities	(1,635,303)	(628,055)	(4,756,226)	(14,199,604)	(20,447)	(87,320)	(35,373)	(8,962)
Net (liabilities)/assets	(1,577,872)	(625,954)	(3,290,227)	5,011,230	(20,398)	(87,320)	(32,059)	(8,913)
2024								
Non-current assets	-	-	361,437	12,771,884	-	-	-	-
Current assets	101,251	2,190	2,165,932	2,284,513	49	-	-	-
Non-current liabilities	-	-	(210,401)	(3,085,091)	-	-	-	-
Current liabilities	(1,605,367)	(600,285)	(4,320,995)	(8,553,272)	(11,938)	-	-	-
Net (liabilities)/assets	(1,504,116)	(598,095)	(2,004,027)	3,418,034	(11,889)	-	-	-

NOTES TO THE FINANCIAL STATEMENTS

31 December 2025

7. INVESTMENT IN SUBSIDIARIES (Cont'd)

(e) Material partly-owned subsidiaries (Cont'd)

The summarised financial information for each subsidiary that has non-controlling interests that are material to the Group is set out below. The summarised financial information below represents amounts before inter-company elimination. (Cont'd)

(ii) Summarised Statements of Profit or Loss and Other Comprehensive Income

	AUNOA Solutions RM	KJ Facilities Management RM	Astute MFM RM	KJTN Engineering RM	KJGA RM	Green AI RM	KJ Cyclect RM	KJTS iHandal RM
2025								
Revenue	38,788	-	5,122,706	17,605,470	-	-	-	-
(Loss)/Profit for the financial year	(73,756)	(27,859)	(1,286,200)	1,538,253	(8,509)	(87,420)	(34,808)	(9,013)
Other comprehensive loss for the financial year	-	-	-	131,381	-	-	-	-
Total comprehensive (loss)/income for the financial year	(73,756)	(27,859)	(1,286,200)	1,669,634	(8,509)	(87,420)	(34,808)	(9,013)

	AUNOA Solutions RM	ETC Cleaning Services RM	KJ Facilities Management RM	Astute MFM RM	KJTN Engineering RM	KJGA RM	
2024							
Revenue		126,235	32,303,549	-	7,609,992	9,121,474	-
(Loss)/Profit for the financial year		(69,698)	391,292	(35,506)	(1,058,781)	1,402,765	(11,989)
Other comprehensive loss for the financial year		-	-	-	-	(44,259)	-
Total comprehensive (loss)/income for the financial year		(69,698)	391,292	(35,506)	(1,058,781)	1,358,506	(11,989)

(iii) Summarised Statements of Cash Flows

	AUNOA Solutions RM	KJ Facilities Management RM	Astute MFM RM	KJTN Engineering RM	KJGA RM	Green AI RM	KJ Cyclect RM	KJTS iHandal RM
2025								
Net cash from/(used in) operating activities	36,129	(72)	(107,974)	(4,850,242)	(3,168)	(34,832)	(36,245)	(49)
Net cash (used in)/from investing activities	-	-	(1,330)	(120,222)	-	-	34,568	-
Net cash (used in)/from financing activities	-	-	(35,146)	6,660,069	3,168	34,832	1,677	49
Net increase/(decrease) in cash and cash equivalents	36,129	(72)	(144,450)	1,689,605	-	-	-	-

NOTES TO THE FINANCIAL STATEMENTS

31 December 2025

7. INVESTMENT IN SUBSIDIARIES (Cont'd)

(e) Material partly-owned subsidiaries (Cont'd)

The summarised financial information for each subsidiary that has non-controlling interests that are material to the Group is set out below. The summarised financial information below represents amounts before inter-company elimination. (Cont'd)

(iii) Summarised Statements of Cash Flows (Cont'd)

	AUNOA Solutions RM	ETC Cleaning Services RM	KJ Facilities Management RM	Astute MFM RM	KJTN Engineering RM	KJGA RM
2024						
Net cash from/(used in) operating activities	60,745	(1,588,195)	(18,592)	(252,815)	(3,176,798)	(9,289)
Net cash used in investing activities	(55,000)	(446,634)	-	(4,649)	(40,620)	-
Net cash (used in)/from financing activities	(18,500)	2,269,505	17,105	356,359	1,956,659	9,289
Net (decrease)/increase in cash and cash equivalents	(12,755)	234,676	(1,487)	98,895	(1,260,759)	-

There are no significant restrictions on the ability of the subsidiaries to transfer funds to the Group in the form of cash dividends or repayment of loans and advances. Generally, for all subsidiaries which are not wholly-owned by the Company, non-controlling shareholders hold protective rights restricting the Company's ability to use the assets of the subsidiaries and settle the liabilities of the Group, unless approval is obtained from non-controlling shareholders.

8. INVESTMENT IN ASSOCIATES

	Group	
	2025 RM	2024 RM
At cost		
Unquoted shares in Malaysia	435,000	435,000
Unquoted shares outside Malaysia	38,677	38,677
Less: Accumulated impairment losses	(38,677)	(38,677)
	-	-
	435,000	435,000
Share of post-acquisition results	425,980	403,732
	860,980	838,732

Movements in the allowance for impairment losses are as follows:

	Group	
	2025 RM	2024 RM
At 1 January	38,677	-
Impairment losses recognised	-	38,677
At 31 December	38,677	38,677

NOTES TO THE FINANCIAL STATEMENTS

31 December 2025

8. INVESTMENT IN ASSOCIATES (Cont'd)

Details of the associates are as follows:

Name of company	Place of business/ Country of incorporation	Effective interest		Principal activities
		2025 %	2024 %	
Indirect holding:				
Associates of KJ Technical Services				
Acres Growth Sdn. Bhd. ("Acres Growth")	Malaysia	30	30	Designing air-conditioning, cooling, heating and ventilation systems, repair and maintenance of air-conditioning systems, project contracting, assembly and trading in engineering products and an investment holding company.
KJ Technical Services Co., Ltd. # ("KJ Technical Services (Thailand)")	Thailand	30	30	Engineering activities and related technical consultancy. @
DCS Energy Sdn. Bhd. # ("DCS Energy")	Malaysia	45	45	Designing, testing and managing cooling system, mechanical electrical system and related activities.

Associate not audited by UHY Malaysia PLT

@ Being the intended principal activities, the associate is dormant as at the date of this report.

(a) Additional investment

31 December 2024

On 26 March 2024, Acres Growth, a 30%-owned associate of KJ Technical Services, increased its issued and paid-up share capital from 30 units ordinary shares to 30,000 units of ordinary shares. KJ Technical Services has subscribed for an additional 29,970 units of ordinary shares in Acres Growth for total consideration of RM29,970 by way of capitalisation of amount due from Acres Growth. Consequently, Acres Growth remained as 30%-owned associate of KJ Technical Services.

(b) The summarised financial information of the Company's material associates not adjusted for the percentage held by the Group are as follows:

	Acres Growth		KJ Technical Services (Thailand)		DCS Energy	
	2025 RM	2024 RM	2025 RM	2024 RM	2025 RM	2024 RM
Assets and Liabilities						
Non-current assets	6,973,305	6,973,305	3	3	1	1
Current assets	5,096,487	3,792,609	153,308	161,489	1,041,617	1,159,102
Non-current liabilities	(2,491,505)	(2,747,102)	-	-	-	-
Current liabilities	(7,987,293)	(6,759,231)	(345,003)	(270,450)	(4,001)	(5,139)
Net assets/(liabilities)	1,590,994	1,259,581	(191,692)	(108,958)	1,037,617	1,153,964
Interests in associates	30%	30%	30%	30%	45%	45%
Group's share of net assets	477,298	377,874	(57,508)	(32,687)	466,928	519,284
Financial Results						
Revenue	4,700,505	7,180,595	-	-	-	-
Profit/(Loss) for the financial year	331,413	172,896	(85,540)	543,785	(116,347)	(77,080)
Other comprehensive income for the financial year	-	-	-	22,868	-	-
Total comprehensive income/ (loss) for the financial year	331,413	172,896	(85,540)	566,653	(116,347)	(77,080)

NOTES TO THE FINANCIAL STATEMENTS

31 December 2025

8. INVESTMENT IN ASSOCIATES (Cont'd)

- (b) The summarised financial information of the Company's material associates not adjusted for the percentage held by the Group are as follows: (Cont'd)

	Acres Growth		KJ Technical Services (Thailand)		DCS Energy	
	2025 RM	2024 RM	2025 RM	2024 RM	2025 RM	2024 RM
Group's share of results for the financial year ended 31 December						
Group's share of profit/(loss)	99,424	51,869	(25,662)	-	(52,356)	(34,686)
Group's share of other comprehensive income	-	-	-	6,860	-	-
Group's share of total comprehensive income/(loss)	99,424	51,869	(25,662)	6,860	(52,356)	(34,686)

The Group has not recognised the following losses related to certain associates since the Group has no obligation in respect of these losses:

	2025 RM	Group 2024 RM
At 1 January	(187,407)	(350,543)
Share of profit	-	163,136
At 31 December	(187,407)	(187,407)

9. GOODWILL ON CONSOLIDATION

	2025 RM	Group 2024 RM
At 1 January/31 December	1,808,278	1,808,278

The aggregate carrying amounts of goodwill allocated to each cash-generating unit ("CGU") are as follows:

	2025 RM	Group 2024 RM
Cleaning services	222,360	222,360
Facilities management	1,585,918	1,585,918
	1,808,278	1,808,278

Goodwill is tested for impairment on an annual basis by comparing the carrying amount with the recoverable amount. The Directors are of the opinion that since all the CGUs are to be held on a long-term basis, value in use would best reflect its recoverable amount. The value in use is determined by discounting future cash flows over a five-year period. The future cash flows are based on management's business plan, which is the best estimate of future performance. The ability to achieve the business plan targets is a key assumption in determining the recoverable amount for each cash-generating unit.

NOTES TO THE FINANCIAL STATEMENTS

31 December 2025

9. GOODWILL ON CONSOLIDATION (Cont'd)

There remains a risk that, due to unforeseen changes in the respective economies in which the CGUs operate and/or global economic conditions, the ability to achieve management's business plan will be adversely affected. In calculating the value in use for the CGUs, management has applied a pre-tax discount rate of 9.70% (2024: 10.80%) and revenue growth rate at the range of 3% to 5% (2024: 3% to 5%). The following describes each key assumptions on which management has based its cash flow projections for the purposes of impairment testing of goodwill:

- the discount rate used reflected the management's best estimate of return on capital employed.
- growth rate used is based on historical trend of each segment taking into account industry outlook.
- the profit margin used in the projections are based on the historical profit margin trend for the individual cash-generating unit or budgeted profit margin for predetermined projects obtained.

The management believes that any reasonably possible change in any of the above key assumptions would not caused the carrying amounts of the CGUs to materially exceed their recoverable amounts.

10. CONCESSION RECEIVABLES

	2025 RM	Group 2024 RM
Concession receivables		
- Non-current	17,295,911	14,140,741
- Current	1,645,774	1,996,208
	18,941,685	16,136,949
At 1 January	16,136,949	12,798,838
Concession fixed revenue (Note 27)	12,505,068	7,726,162
Finance income (Note 27)	518,800	1,001,301
Reclassified from construction contract	7,682,480	7,520,052
Receipts	(17,274,086)	(12,744,304)
Exchange difference	(627,526)	(165,100)
At 31 December	18,941,685	16,136,949

- On 5 January 2016, the Group has entered into an agreement to retrofit and provide cooling energy management services for a shopping mall and office building at Petaling Jaya, Selangor for the period of 15 years. Proceeds derived from this agreement is assigned to a licensed bank pursuant to a deed of assignment as disclosed in Note 21(b) to the financial statements.
- On 16 December 2019, the Group has entered into an agreement to retrofit and provide cooling energy management services for chiller plants at a government hospital in Johor Bahru, and a government hospital at Muar, Johor for the period of 5 years.
- On 26 April 2021, the Group has entered into an agreement to retrofit and provide cooling energy management services for a commercial development in Bangkok, Thailand for the period of 15 years. Proceeds derived from this agreement is assigned to a licensed bank pursuant to a deed of assignment as disclosed in Note 21(c) to the financial statements.
- On 15 August 2022, the Group has entered into an agreement to retrofit and provide cooling energy management services for a factory in Beranang, Selangor for the period of 5 years. The concession contract was completed during the previous financial year and all remaining concession receivable was fully settled within the previous financial year.
- On 18 August 2022, the Group has entered into an agreement to retrofit and provide cooling energy management services for another factory in Beranang, Selangor for the period of 5 years. The concession contract was completed during the previous financial year and all remaining concession receivable was fully settled within the previous financial year.
- On 10 July 2023, the Group has entered into an agreement to retrofit and provide cooling energy management services for chiller plant at a office building in Alor Setar, Kedah for the period of 10 years.
- On 31 January 2024, the Group has entered into an agreement to retrofit and provide cooling energy management services at a hotel in Bangkok, Thailand for the period of 15 years. Proceeds derived from this agreement is assigned to a licensed bank pursuant to a deed of assignment as disclosed in Note 21(d) to the financial statements.

NOTES TO THE FINANCIAL STATEMENTS

31 December 2025

10. CONCESSION RECEIVABLES (Cont'd)

- (h) On 24 September 2024, the Group has entered into an agreement to retrofit and provide cooling energy management services at a resort in Pattaya, Thailand for the period of 20 years.

The above arrangement is within the scope of IC Interpretation 12: *Service Concession Agreement* under the financial assets model. The fair value of construction services is recognised as concession receivables.

11. OTHER RECEIVABLES

	Group		Company	
	2025 RM	2024 RM	2025 RM	2024 RM
Non-Current				
Other receivables	-	540,800	-	-
Withholding tax	25,835	56,815	-	-
	25,835	597,615	-	-
Current				
Other receivables	2,037,654	3,284,306	-	-
Government grant receivable	142,074	177,541	-	-
Deposits	3,048,549	2,401,012	18,753	9,442
Dividend receivable	-	-	12,700,000	9,000,000
Prepayments	13,987,474	4,779,483	68,196	91,284
	19,215,751	10,642,342	12,786,949	9,100,726
	19,241,586	11,239,957	12,786,949	9,100,726

12. INVENTORIES

	Group	
	2025 RM	2024 RM
At cost		
Uniforms	46,251	53,746
Consumables	67,092	51,962
	113,343	105,708
Recognised in profit or loss:		
Inventories recognised as cost of sales	1,105,187	917,448

13. SHORT-TERM INVESTMENTS

	Group		Company	
	2025 RM	2024 RM	2025 RM	2024 RM
Current				
Financial assets measured at fair value through profit or loss				
Investment in money market funds	41,580,296	58,254,921	38,823,866	49,932,512

Investment in money market funds represents investments in highly liquid money market instruments, which are readily convertible to known amounts of cash and are subject to an insignificant risk of changes in value and hence, meet the definition to be classified as cash and cash equivalents.

The fair value of the money market funds was determined by reference to the quoted prices provided by financial intermediaries.

NOTES TO THE FINANCIAL STATEMENTS

31 December 2025

14. TRADE RECEIVABLES

	2025 RM	Group 2024 RM
Trade receivables	49,305,086	27,245,018
Less: Accumulated impairment losses	(445,277)	(411,053)
	48,859,809	26,833,965

Trade receivables are non-interest bearing and are generally on 15 to 120 days (2024: 15 to 120 days) term. They are recognised at their original invoice amounts which represent their fair values on initial recognition.

Movements in the allowance for impairment losses are as follows:

	Lifetime allowance RM	Group Credit impaired RM	Loss allowance RM
At 1 January 2025	63,098	347,955	411,053
Impairment losses recognised	34,224	-	34,224
At 31 December 2025	97,322	347,955	445,277
At 1 January 2024	58,938	347,955	406,893
Impairment losses recognised	4,160	-	4,160
At 31 December 2024	63,098	347,955	411,053

The loss allowance account in respect of trade receivables is used to record loss allowance. Unless the Group is satisfied that recovery of the amount is possible, the amount considered irrecoverable is written off against the receivable directly.

The ageing analysis of trade receivables at the end of the reporting period are as follows:

	Gross amount RM	2025 Loss allowance RM	Net amount RM	Gross amount RM	2024 Loss allowance RM	Net amount RM
Group						
Not past due	25,738,043	(7,537)	25,730,506	13,994,486	(6,047)	13,988,439
Past due:						
Less than 30 days	8,768,699	(2,792)	8,765,907	5,484,132	(3,478)	5,480,654
31 to 60 days	5,527,346	(4,226)	5,523,120	2,214,634	(3,159)	2,211,475
61 to 90 days	1,757,329	(6,215)	1,751,114	703,280	(1,764)	701,516
More than 90 days	7,165,714	(76,552)	7,089,162	4,500,531	(48,650)	4,451,881
	23,219,088	(89,785)	23,129,303	12,902,577	(57,051)	12,845,526
	48,957,131	(97,322)	48,859,809	26,897,063	(63,098)	26,833,965
Credit impaired						
Individually impaired	347,955	(347,955)	-	347,955	(347,955)	-
	49,305,086	(445,277)	48,859,809	27,245,018	(411,053)	26,833,965

NOTES TO THE FINANCIAL STATEMENTS

31 December 2025

14. TRADE RECEIVABLES (Cont'd)

Trade receivables that are not past due and not individually impaired are creditworthy receivables with good payment records with the Group.

As at 31 December 2025, gross trade receivables of the Group of RM23,219,088 (2024: RM12,902,577) were past due but not individually impaired. These relate to a number of independent customers from whom there is no recent history of default.

The Group assesses credit quality of the trade receivables on a collective basis by using ageing of past due days. As at 31 December 2025, the Group provided expected credit losses of RM97,322 (2024: RM63,098) based on the customers' historical data as an assumption for possibility of default.

The trade receivables of the Group that are individually assessed to be impaired amounting to RM347,955 (2024: RM347,955), related to customers that are in financial difficulties and have defaulted on payments. These balances are expected to be recovered through the debts recovery process.

15. CONTRACT ASSETS/(LIABILITIES)

	Note	2025 RM	Group 2024 RM
<u>Contract assets</u>			
Construction contracts	(a)	40,667,173	10,985,419
Cleaning and maintenance services	(b)	1,330,374	42,906
Rendering of services	(c)	4,186,064	4,684,288
		46,183,611	15,712,613
Less: Accumulated impairment losses	(a),(c)	(14,990)	(14,990)
		46,168,621	15,697,623
<u>Contract liabilities</u>			
Construction contracts	(a)	487,738	1,079,317
Rendering of services	(c)	595,575	-
Deferred revenue	(d)	7,615	7,391
		1,090,928	1,086,708

Movements in the allowance for impairment losses are as follows:

	Group Lifetime allowance 2025 RM	2024 RM
At 1 January	14,990	7,398
Impairment losses recognised	-	7,923
Reversal of impairment losses	-	(331)
At 31 December	14,990	14,990

NOTES TO THE FINANCIAL STATEMENTS

31 December 2025

15. CONTRACT ASSETS/(LIABILITIES) (Cont'd)

(a) Construction contracts

	2025 RM	Group 2024 RM
Contract costs incurred to date	194,152,343	112,305,939
Attributable profits	40,828,856	21,310,415
	234,981,199	133,616,354
Less: Progress billings	(194,801,764)	(123,710,252)
	40,179,435	9,906,102
Less: Accumulated impairment losses	(14,540)	(14,540)
	40,164,895	9,891,562
Presented as:		
Contract assets	40,652,633	10,970,879
Contract liabilities	(487,738)	(1,079,317)
	40,164,895	9,891,562

The contract assets primarily relate to the Group's rights to consideration for work performed but not yet billed at the reporting date for its construction activities. The contract assets will be transferred to trade receivables when the rights become unconditional.

The contract liabilities primarily relate to the advance consideration received from customer for construction contract, which revenue is recognised over time during the construction activities.

(b) Cleaning and maintenance services

Contract assets relate to revenue earned from cleaning and maintenance services which is conditional on successful rendering of service, upon completion of acceptance by the customers. Contract assets are reclassified to trade receivables when customers' acceptance is received and invoice is issued.

(c) Rendering of services

	2025 RM	Group 2024 RM
Rendering of services	3,590,489	4,684,288
Less: Accumulated impairment losses	(450)	(450)
At 31 December	3,590,039	4,683,838
Presented as:		
Contract assets	4,185,614	4,683,838
Contract liabilities	(595,575)	-
	3,590,039	4,683,838

The contract assets relate to the Company's rights to consideration for work performed but not yet billed at the reporting date for its services rendered. The contract assets will be transferred to trade receivables when the rights become unconditional.

The contract liabilities relate to the advance consideration received from customer for its services which revenue is recognised over time when the services are rendered.

NOTES TO THE FINANCIAL STATEMENTS

31 December 2025

15. CONTRACT ASSETS/(LIABILITIES) (Cont'd)

(d) Deferred revenue

Deferred revenue represents advance consideration received (or an amount of consideration is due) from the customer in respect of services which are yet to be provided. The deferred revenue will be recognised as revenue when the related services is rendered.

Included in the contract costs for the financial year are as follows:

	2025 RM	Group 2024 RM
Staff costs (Note 34)	2,690,675	1,229,768

Contract value yet to be recognised as revenue

The followings table shows the revenue expected to be recognised in the future relating to performance obligations that were unsatisfied (or partially satisfied) at the reporting date. The Group expects to recognise this revenue over the next 12 to 24 months.

	2025 RM	Group 2024 RM
Construction contracts	73,719,042	88,552,094

16. AMOUNT DUE FROM/(TO) SUBSIDIARIES

(a) Amount due from subsidiaries

These represent unsecured, non-interest bearing advances and repayable on demand.

(b) Amount due to a subsidiary

This represents unsecured, non-interest bearing advances and repayable on demand.

17. AMOUNT DUE FROM ASSOCIATES

	Note	2025 RM	Group 2024 RM
Amount due from associates	(i)	3,875,224	3,185,521
Less: Accumulated impairment losses		(105,078)	(105,078)
Amount due to associates	(ii)	3,770,146 (939,680)	3,080,443 (593,433)
		2,830,466	2,487,010

Movements in the allowance for impairment losses are as follows:

	2025 RM	Group 2024 RM
At 1 January	105,078	-
Impairment losses recognised	-	105,078
At 31 December	105,078	105,078

NOTES TO THE FINANCIAL STATEMENTS

31 December 2025

17. AMOUNT DUE FROM ASSOCIATES (Cont'd)

- (i) This represents unsecured, non-interest bearing advances and repayable on demand except for:
- (1) An amount of RM1,221,326 (2024: RM1,221,326) represents advances to associates of the Group which bear interest at a rate of 3.52% (2024: 3.52%) per annum at the reporting date.
 - (2) An amount of RM2,236,817 (2024: RM1,575,407) represents trade transactions with the Group which generally on |30 days (2024: 30 days) term.
- (ii) This represents unsecured, non-interest bearing advances and repayable on demand except for:
- (1) In previous financial year, an amount of RM128,922 represents advances from associates of the Group which bear interest at a rate of 0.75% per annum.
 - (2) An amount of RM939,680 (2024: RM464,511) represents trade transactions with the Group which generally on 30 days (2024: 30 days) term.

18. DEPOSITS, BANK AND CASH BALANCES

	Group		Company	
	2025 RM	2024 RM	2025 RM	2024 RM
Cash and bank balances	14,058,682	6,952,637	108,875	117,101
Fixed deposit with a licensed bank	2,405,454	2,348,988	-	-
Total deposits, bank and cash balances	16,464,136	9,301,625	108,875	117,101

The interest rates and maturities of deposits of the Group at the reporting date is 2.35% (2024: 2.60%) per annum and 365 days (2024: 365 days) respectively.

The fixed deposit of the Group is pledged as security to a licensed bank for banking facilities granted to the Company as disclosed in Note 21(a) to the financial statements.

19. SHARE CAPITAL

	Group/Company			
	Number of shares		Amount	
	2025 Units	2024 Units	2025 RM	2024 RM
Issued and fully paid ordinary shares with no par value:				
At 1 January	688,000,000	469,972,800	99,119,640	41,827,670
Issuance of ordinary shares	1,522,635	218,027,200	1,921,461	58,867,344
Share issuance expenses	-	-	-	(1,575,374)
At 31 December	689,522,635	688,000,000	101,041,101	99,119,640

During the financial year, the Company has increased its issued and paid-up share capital from 688,000,000 units of ordinary shares to 689,522,635 units of ordinary shares by way of issuance of 1,522,635 units of new ordinary shares from the exercise of options under the Company's executives' share option scheme ("ESOS") at exercise prices ranging from RM0.27 to RM0.72 per share amounting to RM1,921,461.

In the previous financial year, the Company increased its issued and paid-up share capital from 469,972,800 units of ordinary shares to 688,000,000 units of ordinary shares by way of issuance of 218,027,200 units of new ordinary shares at an issue price of RM0.27 each per share amounting to RM58,867,344 pursuant to the initial public offering of the Company on the ACE Market of Bursa Malaysia Securities Berhad.

The new ordinary shares issued during the current and previous financial year ranked pari passu in all respects with the existing ordinary shares of the Company.

The holders of ordinary shares are entitled to receive dividends as and when declared by the Company and are entitled to one vote per ordinary share at meetings of the Company. The ordinary shares have no par value.

NOTES TO THE FINANCIAL STATEMENTS

31 December 2025

20. RESERVES

	Note	Group		Company	
		2025 RM	2024 RM	2025 RM	2024 RM
Non-distributable					
Foreign currency translation reserve	(a)	(184,914)	129,427	-	-
Other reserve	(b)	(2,729)	(2,729)	-	-
Merger reserve	(c)	(34,937,690)	(34,937,690)	-	-
ESOS reserve	(d)	4,404,071	2,412,704	4,404,071	2,412,704
		(30,721,262)	(32,398,288)	4,404,071	2,412,704

(a) Foreign currency translation reserve

Foreign currency translation reserve represents the exchange differences arising from the translation of the financial statements of foreign operations whose functional currency is different from that of the Group's presentation currency.

(b) Other reserve

Other reserve represents the difference between the Group's share of net assets before and after the acquisition of equity interest from its non-controlling interests, and any consideration paid.

(c) Merger reserve

Merger reserves arose from the difference between the carrying amount of the investment and the nominal value of the shares of the subsidiary upon consolidation under the merger method of accounting.

(d) ESOS reserve

	Group/Company	
	2025 RM	2024 RM
At 1 January	2,412,704	-
ESOS granted	3,486,022	2,425,430
Issuance of shares pursuant to ESOS	(1,224,772)	-
ESOS forfeited	(269,883)	(12,726)
At 31 December	4,404,071	2,412,704

ESOS reserve represents the equity-settled share options granted to Directors and employees of the Group. The reserve is made up of the cumulative value of services received from employees recorded over the vesting period commencing from the grant date of equity-settled share options and is reduced by the expiry or exercise of the share options.

Details of long-term incentive plan is disclosed in Note 33 to the financial statements.

NOTES TO THE FINANCIAL STATEMENTS

31 December 2025

21. BANK BORROWINGS

	2025 RM	Group 2024 RM
Secured		
<i>Fixed rates:</i>		
Term loan II	5,400	15,928
<i>Floating rates:</i>		
Bank overdraft	957,712	137
Term loan I	65,933	537,752
Term loan III	1,798,535	2,277,728
Term loan IV	3,396,092	1,562,286
Term loan V	3,012,231	-
	9,230,503	4,377,903
	9,235,903	4,393,831
Presented as:		
Non-current	6,679,942	3,052,392
Current	2,555,961	1,341,439
	9,235,903	4,393,831

Maturities of bank borrowings are as follows:

	2025 RM	Group 2024 RM
Within one year	2,555,961	1,341,439
More than one year and less than two years	1,591,368	1,267,264
More than two years and less than five years	5,088,574	1,785,128
	9,235,903	4,393,831

Term loan I is repayable by one hundred and one (101) equal instalments of RM41,288 upon the full drawdown of principal amounting to RM2,990,000.

Term loan II is repayable by sixty (60) equal instalments of RM910 upon the full drawdown of principal amounting to RM50,000.

Term loan III is repayable by one hundred and one (101) equal instalments of RM43,015 upon the full drawdown of principal amounting to RM3,241,056.

Term loan IV is repayable by ninety-two (92) equal instalments of RM63,756 upon the full drawdown of principal amounting to RM3,698,028.

Term loan V is repayable by ninety-nine (99) equal instalments of RM45,608 upon the full drawdown of principal amounting to RM309,579.

NOTES TO THE FINANCIAL STATEMENTS

31 December 2025

21. BANK BORROWINGS (Cont'd)

The bank borrowings are secured by the followings:

- (a) Fixed deposits pledged with a licensed bank as disclosed in Note 18 to the financial statements.
- (b) Deed of assignment of proceeds between the Group and a customer in respect of the monthly capital expenditure repayment and the comprehensive operation and maintenance payment derived from a project as disclosed in Note 10(a) to the financial statements;
- (c) Deed of assignment of proceeds between the Group and a customer for the finance, design, retrofit, testing, commissioning, operation and maintenance of the chiller plant derived from a project as disclosed in Note 10(c) to the financial statements;
- (d) Deed of assignment of proceeds between the Group and a customer for the finance, design, retrofit, testing, commissioning, operation and maintenance of the chiller plant derived from a project as disclosed in Note 10(g) to the financial statements;
- (e) Corporate guarantee by a company which a substantial shareholder of a subsidiary has financial interest; and
- (f) Corporate guarantee by the Company.

The weighted average interest rates per annum at the end of the reporting date are as follows:

	2025 %	Group 2024 %
Bank overdraft	7.64	7.89
Term loans	4.68	4.98

22. LEASE LIABILITIES

	2025 RM	Group 2024 RM
At 1 January	3,326,335	894,243
Additions	406,393	2,612,703
Payments	(1,396,015)	(919,935)
Accretion of interest	183,418	105,330
Early termination of lease contracts	-	(46,903)
Modification of lease contracts	143,855	727,642
Exchange differences	(23,537)	(46,745)
At 31 December	2,640,449	3,326,335
Presented as:		
Non-current	1,455,674	2,156,488
Current	1,184,775	1,169,847
	2,640,449	3,326,335

NOTES TO THE FINANCIAL STATEMENTS

31 December 2025

22. LEASE LIABILITIES (Cont'd)

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

	2025 RM	Group 2024 RM
Within one year	1,300,975	1,329,747
More than one year and less than two years	853,937	1,119,873
More than two years and less than five years	723,861	1,120,092
After five years	-	113,017
	2,878,773	3,682,729
Less: Future finance charges	(238,324)	(356,394)
Present value of lease liabilities	2,640,449	3,326,335

The Group leases various buildings and motor vehicles. Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions.

The weighted average interest rates applied to lease liabilities of the Group at the reporting date is 4.80% (2024: 5.22%) per annum.

23. EMPLOYEE BENEFIT OBLIGATIONS

The retirement of employee and other long-term employee benefits are recognised based on the best estimation at the reporting date.

Movements of defined benefit obligations of the Group are as follows:

	2025 RM	Group 2024 RM
At 1 January	101,005	95,170
Recognised in profit or loss	55,568	22,604
Recognised in other comprehensive income	(131,381)	-
Payment	-	(14,254)
Exchange differences	(823)	(2,515)
At 31 December	24,369	101,005

The subsidiary in Thailand operates an unfunded defined benefit retirement benefit scheme for its employees based on the provisions of Section 118, Chapter 11 of the Thai Labor Protection Act 1998 (Revised 2019) and Retirement Pension Plan. The independent actuarial report is dated 29 December 2025.

The principal actuarial assumptions at the end of the reporting period are as follows:

	2025 RM	Group 2024 RM
Discount rate at 31 December	1.51%	2.48%
Expected rate of salary increases	4.00%	5.00%
Normal retirement age	60 years	55 years

NOTES TO THE FINANCIAL STATEMENTS

31 December 2025

23. EMPLOYEE BENEFIT OBLIGATIONS (Cont'd)

Sensitivity analysis

The effect of changes in the principal actuarial assumptions on the present value of unfunded obligations of the Group are as follows:

	+1% RM	-1% RM
2025		
(Decrease)/Increase of present value of unfunded obligation		
- Discount rate	(1,419)	1,611
- Salary growth rate	1,492	(1,345)
- Turnover rate	(1,585)	587
- Life expectancy	123	(122)
2024		
(Decrease)/Increase of present value of unfunded obligation		
- Discount rate	(3,447)	4,035
- Salary growth rate	4,779	(4,243)
- Turnover rate	(3,821)	577
- Life expectancy	166	(165)

The above sensitivity analysis are based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated.

24. DEFERRED TAX LIABILITIES

	2025 RM	Group 2024 RM
At 1 January	3,767	17,224
Recognised in profit or loss (Note 30)	-	(13,457)
At 31 December	3,767	3,767

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

Deferred tax liabilities

	Accelerated capital allowances RM	Right-of-use assets RM	Total RM
Group			
2025			
At 1 January 2025	37,636	272,552	310,188
Recognised in profit or loss	11,221	(88,637)	(77,416)
Over provision in prior financial year	2,040	1,755	3,795
At 31 December 2025 (before offsetting)	50,897	185,670	236,567
Offsetting			(232,800)
At 31 December 2025 (after offsetting)			3,767

NOTES TO THE FINANCIAL STATEMENTS

31 December 2025

24. DEFERRED TAX LIABILITIES (Cont'd)

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

Deferred tax liabilities (Cont'd)

	Accelerated capital allowances RM	Right-of-use assets RM	Total RM
Group			
2024			
At 1 January 2024	33,776	21,496	55,272
Recognised in profit or loss	15,122	251,056	266,178
Under provision in prior financial year	(11,262)	-	(11,262)
At 31 December 2024 (before offsetting)	37,636	272,552	310,188
Offsetting			(306,421)
At 31 December 2024 (after offsetting)			3,767
Company			
2025			
At 1 January 2025	17,871	-	17,871
Recognised in profit or loss	34,381	-	34,381
Under provision in prior financial year	(13)	-	(13)
At 31 December 2025 (before offsetting)	52,239	-	52,239
Offsetting	(52,239)	-	(52,239)
At 31 December 2025 (after offsetting)	-	-	-
2024			
At 1 January 2024	-	-	-
Recognised in profit or loss	17,871	-	17,871
At 31 December 2024 (before offsetting)	17,871	-	17,871
Offsetting	(17,871)	-	(17,871)
At 31 December 2024 (after offsetting)	-	-	-

Deferred tax assets

	Unutilised capital allowances RM	Unused tax losses RM	Lease liabilities RM	Total RM
Group				
2025				
At 1 January 2025	(5,889)	(21,432)	(279,100)	(306,421)
Recognised in profit or loss	(8,933)	(2,827)	89,176	77,416
Under provision in prior financial year	(292)	(1,748)	(1,755)	(3,795)
At 31 December 2025 (before offsetting)	(15,114)	(26,007)	(191,679)	(232,800)
Offsetting				232,800
At 31 December 2025 (after offsetting)				-

NOTES TO THE FINANCIAL STATEMENTS

31 December 2025

24. DEFERRED TAX LIABILITIES (Cont'd)

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

Deferred tax assets (Cont'd)

	Unutilised capital allowances RM	Unused tax losses RM	Lease liabilities RM	Total RM
Group				
2024				
At 1 January 2024	(14,732)	(1,128)	(22,188)	(38,048)
Recognised in profit or loss	4,493	(16,194)	(257,570)	(269,271)
Over/(Under) provision in prior financial year	4,350	(4,110)	658	898
At 31 December 2024 (before offsetting)	(5,889)	(21,432)	(279,100)	(306,421)
Offsetting				306,421
At 31 December 2024 (after offsetting)				-

	Unutilised capital allowances RM	Unused tax losses RM	Lease liabilities RM	Total RM
Company				
2025				
At 1 January 2025	(4,169)	(13,702)	-	(17,871)
Recognised in profit or loss	(22,068)	(12,313)	-	(34,381)
Over provision in prior financial year	5	8	-	13
At 31 December 2025 (before offsetting)	(26,232)	(26,007)	-	(52,239)
Offsetting				52,239
At 31 December 2025 (after offsetting)				-

2024				
At 1 January 2024	-	-	-	-
Recognised in profit or loss	(4,169)	(13,702)	-	(17,871)
At 31 December 2024 (before offsetting)	(4,169)	(13,702)	-	(17,871)
Offsetting				17,871
At 31 December 2024 (after offsetting)				-

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

	Group		Company	
	2025 RM	2024 RM	2025 RM	2024 RM
Accelerated capital allowances	160,029	34,896	-	-
Unutilised capital allowances	331,346	246,088	-	-
Unused tax losses	6,610,264	10,904,939	1,033,888	121,400
	7,101,639	11,185,923	1,033,888	121,400

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.

NOTES TO THE FINANCIAL STATEMENTS

31 December 2025

24. DEFERRED TAX LIABILITIES (Cont'd)

For the Malaysian entities, pursuant to Section 8 of the Finance Act 2021 (Act 833) and the amendment to Section 44(5F) of the Income Tax Act 1967, effective from year of assessment 2019 onwards, the time limit on the carried forward unused tax losses has been extended to maximum of ten (10) consecutive years of assessment. Any unused tax losses accumulated up to the year of assessment 2018 can be carried forward for another ten (10) consecutive years of assessment (i.e.: from year of assessment 2019 to 2028) under the current tax legislation.

The unused tax losses shall be disregarded after the end of the year of assessment as follows:

	Group		Company	
	2025 RM	2024 RM	2025 RM	2024 RM
2028	-	41,495	-	-
2029	-	987,220	-	-
2030	965,036	2,877,675	-	-
2031	596,027	596,027	-	-
2032	402,345	402,345	-	-
2033	1,349,716	1,349,716	-	-
2034	882,254	882,254	121,400	121,400
2035	2,073,147	-	912,488	-
Indefinite*	341,739	3,768,207	-	-
	6,610,264	10,904,939	1,033,888	121,400

* The unused tax losses of foreign subsidiary can be carried forward indefinitely. The use of tax losses of the subsidiary in other countries is subject to the agreement of the tax authorities and compliance with certain provisions of the tax legislation of the respective countries in which the subsidiary operate.

25. TRADE PAYABLES

	Group	
	2025 RM	2024 RM
Trade payables		
- Third parties	23,942,806	13,611,314
- Related parties	1,507	9,160
	23,944,313	13,620,474

Related parties represent companies in which certain substantial shareholder of certain subsidiaries have financial interest. The amount due to related parties are unsecured, non-interest bearing and subject to trade credit term of 7 days (2024: 7 days).

The normal trade credit terms granted to the Group range from 7 to 90 days (2024: 7 to 90 days) depending on the terms of contracts.

NOTES TO THE FINANCIAL STATEMENTS

31 December 2025

26. OTHER PAYABLES

	Group		Company	
	2025 RM	2024 RM	2025 RM	2024 RM
Other payables				
- Third parties	15,519,672	643,863	64,673	253,145
- Related parties	4,954,873	2,668,355	-	-
	20,474,545	3,312,218	64,673	253,145
Amount due to Directors	1,127,952	1,107,952	-	-
Accruals	7,866,272	6,814,382	466,789	151,659
Deposit received	1,213	25,500	-	-
Sales and Services Tax payable	2,128,360	1,365,737	-	-
Goods and Services Tax payable	1,009,450	577,184	-	-
Dividend payable	-	2,582	-	2,582
	32,607,792	13,205,555	531,462	407,386

Related parties represent companies which substantial shareholders of subsidiaries have financial interest. The amount due from related parties are unsecured, non-interest bearing and repayable on demand except for an amount of RM4,591,975 (2024: RM2,429,399) represents the advances from substantial shareholders of subsidiaries which bear interest rate range from 4.57% to 5.10% (2024: 4.57 to 5.10%) per annum.

The amount due to Directors are unsecured, non-interest bearing and repayable on demand.

27. REVENUE

	2025 RM	Group 2024 RM
Revenue from contracts with customers		
Services		
- Chilled water supply	12,340,042	13,170,513
- Operations and maintenance	25,128,569	23,721,330
Construction contract income	92,477,540	33,882,558
Concession revenue	12,505,068	7,726,162
Cleaning contract services	69,484,311	58,243,681
	211,935,530	136,744,244
Revenue from other source		
Finance income on concession of financial assets	518,800	1,001,301
	212,454,330	137,745,545
Timing of revenue recognition		
At a point in time	15,447,985	13,574,637
Over time	196,487,545	123,169,607
Total revenue from contracts with customers	211,935,530	136,744,244

NOTES TO THE FINANCIAL STATEMENTS

31 December 2025

27. REVENUE (Cont'd)

	Company	
	2025 RM	2024 RM
Revenue from contracts with customers		
Management fees from a subsidiary	3,300,000	2,400,000
Revenue from other source		
Dividend from a subsidiary	6,700,000	9,000,000
	10,000,000	11,400,000
Timing of revenue recognition		
Over time	3,300,000	2,400,000
Total revenue from contracts with customers	3,300,000	2,400,000

The following table is disaggregation of the Group's revenue from contracts with customers:

	Cooling energy RM	Cleaning services RM	Facilities management RM	Total RM
Group				
2025				
Revenue				
Services				
- Chilled water supply	12,340,042	-	-	12,340,042
- Operations and maintenance	11,494,752	-	13,633,817	25,128,569
Construction contract income	92,477,540	-	-	92,477,540
Concession revenue	12,505,068	-	-	12,505,068
Cleaning contract services	-	69,484,311	-	69,484,311
	128,817,402	69,484,311	13,633,817	211,935,530
Geographical market				
Malaysia	111,566,954	38,726,374	13,633,817	163,927,145
Singapore	-	30,757,937	-	30,757,937
Thailand	17,250,448	-	-	17,250,448
	128,817,402	69,484,311	13,633,817	211,935,530
2024				
Revenue				
Services				
- Chilled water supply	13,170,513	-	-	13,170,513
- Operations and maintenance	9,903,593	-	13,817,737	23,721,330
Construction contract income	33,882,558	-	-	33,882,558
Concession revenue	7,726,162	-	-	7,726,162
Cleaning contract services	-	58,243,681	-	58,243,681
	64,682,826	58,243,681	13,817,737	136,744,244
Geographical market				
Malaysia	55,692,806	31,678,300	13,817,737	101,188,843
Singapore	-	26,565,381	-	26,565,381
Thailand	8,990,020	-	-	8,990,020
	64,682,826	58,243,681	13,817,737	136,744,244

NOTES TO THE FINANCIAL STATEMENTS

31 December 2025

28. FINANCE COSTS

	Group	
	2025 RM	2024 RM
Interest expenses on:		
Term loans	330,670	190,085
Lease liabilities	183,418	105,330
Bank overdraft	25,153	6,073
Advances from an associate	-	971
Advances from a shareholder	147,018	85,301
Trust receipt	-	6,770
	686,259	394,530
Less: Amount presented under cost of sales	(5,186)	(3,275)
	681,073	391,255

29. PROFIT BEFORE TAX

Profit before tax is arrived after charging/(crediting):

	Group		Company	
	2025 RM	2024 RM	2025 RM	2024 RM
Auditors' remuneration				
- Statutory audit				
- UHY Malaysia PLT	255,500	234,500	112,000	110,000
- Member firm of UHY International	63,708	51,811	-	-
- Other auditor	127,400	120,514	-	-
- Non-statutory audit				
- UHY Malaysia PLT	12,500	45,000	12,500	45,000
Deposit forfeited	-	27,000	-	-
Depreciation of:				
- investment properties	6,908	8,673	-	-
- property, plant and equipment	1,048,055	686,290	179,156	19,525
- right-of-use assets	1,264,994	914,607	-	-
Impairment losses on:				
- amount due from an associate	-	105,078	-	-
- contract assets	-	7,923	-	-
- investment in associates	-	38,677	-	-
- investment properties	-	171,327	-	-
- trade receivables	34,224	4,160	-	-
Lease expenses relating to:				
- short-term leases	1,466,366	1,787,586	-	-
Listing expenses	-	4,256,712	-	4,526,712
Loss on foreign exchange:				
- Realised	12,715	56,152	-	(1,235)
- Unrealised	43,335	10,169	-	(806)
Non-executive Directors' remuneration				
- Fees	276,000	263,903	276,000	263,903
Property, plant and equipment written off	-	308	-	-
Provision for employee benefits	55,568	22,604	-	-
Dividend income from financial assets measured at fair value through profit or loss	(1,545,553)	(1,828,358)	(1,361,354)	(1,591,511)

NOTES TO THE FINANCIAL STATEMENTS

31 December 2025

29. PROFIT BEFORE TAX (Cont'd)

Profit before tax is arrived after charging/(crediting): (Cont'd)

	Group		Company	
	2025 RM	2024 RM	2025 RM	2024 RM
Finance income on concession of financial assets	(518,800)	(1,001,301)	-	-
Gain on disposal of property, plant and equipment	(243)	(216,000)	-	-
Gain on early termination of lease contracts	-	(1,937)	-	-
Interest income:				
- Advances to associate	(42,991)	(43,299)	-	-
- Advances to subsidiaries	-	-	(209,715)	-
- Licensed banks	(56,466)	(66,500)	-	(2,193)
- Others	(39,859)	(22,387)	-	-
Reversal of impairment losses on contract assets	-	(331)	-	-

30. TAXATION

	Group		Company	
	2025 RM	2024 RM	2025 RM	2024 RM
Tax expenses recognised in profit or loss				
Current tax provision	6,393,174	2,080,359	-	-
Under/(Over) provision in prior financial years	45,557	(42,969)	-	-
	6,438,731	2,037,390	-	-
Deferred tax (Note 24)				
Relating to origination and reversal of temporary differences	-	(3,093)	-	-
Over provision in prior financial years	-	(10,364)	-	-
	-	(13,457)	-	-
Tax expenses for the financial year	6,438,731	2,023,933	-	-

Malaysian income tax is calculated at the statutory tax rate of 24% (2024: 24%) of the estimated assessable profits for the financial year. Taxation for other jurisdiction is calculated at the rates prevailing in the respective jurisdictions.

NOTES TO THE FINANCIAL STATEMENTS

31 December 2025

30. TAXATION (Cont'd)

A reconciliation of tax expenses applicable to profit before tax at the statutory income tax rate at the effective income tax rate of the Group and of the Company is as follows:

	Group		Company	
	2025 RM	2024 RM	2025 RM	2024 RM
Profit before tax	24,543,264	10,274,780	1,542,733	1,667,473
At Malaysian statutory tax rate of 24% (2024: 24%)	5,890,383	2,465,947	370,256	400,194
Effects of different tax rates in other jurisdictions	(312,534)	(150,238)	-	-
Income not subject to tax	(1,579,937)	(1,008,732)	(1,865,039)	(2,542,156)
Expenses not deductible for tax purposes	3,375,490	2,904,774	1,275,786	1,934,226
Deferred tax assets not recognised	548,049	425,080	218,997	207,736
Utilisation of previously unrecognised deferred tax assets	(1,528,277)	(2,559,565)	-	-
Under/(Over) provision of income tax in prior financial years	45,557	(42,969)	-	-
Over provision of deferred tax in prior financial years	-	(10,364)	-	-
Tax expenses for the financial year	6,438,731	2,023,933	-	-

The Group has estimated unutilised capital allowances and unused tax losses carry forward, available for offset against future taxable profits as follows:

	Group		Company	
	2025 RM	2024 RM	2025 RM	2024 RM
Unutilised capital allowances	331,346	263,460	-	-
Unused tax losses	6,610,264	10,904,939	1,033,888	121,400
	6,941,610	11,168,399	1,033,888	121,400

31. EARNINGS PER SHARE

(a) Basic earnings per share

The basic earnings per share are calculated based on the profit for the financial year attributable to the owners of the parent and the weighted average number of ordinary shares in issue during the financial year as follows:

	Group	
	2025 RM	2024 RM
Profit for the financial year attributable to owners of the parent (RM)	17,982,408	8,099,527
Weighted average number of ordinary shares in issue (units):		
Issued ordinary shares at 1 January	688,000,000	469,972,800
Effect of ordinary shares issued during the the financial year	745,621	203,134,632
Weighted average number of ordinary shares at 31 December	688,745,621	673,107,432
Basic earnings per ordinary shares (in sen)	2.61	1.20

NOTES TO THE FINANCIAL STATEMENTS

31 December 2025

31. EARNINGS PER SHARE (Cont'd)

(b) Diluted earnings per share

The diluted earnings per share are calculated based on the profit for the financial year attributable to the owners of the parent and the weighted average number of ordinary shares outstanding during the financial year after deducting for unissued share under the LTIP and adjusted for the effects of dilutive potential ordinary shares as follows:

	Group	
	2025 RM	2024 RM
Profit for the financial year attributable to owners of the parent (RM)	17,982,408	8,099,527
Weighted average number of ordinary shares used in the calculation of basic earnings per share (units)	688,745,621	673,107,432
Weighted average number of unissued shares under the LTIP	14,853,564	7,084,020
Adjusted weighted average number of ordinary shares as at 31 December	703,599,185	680,191,452
Diluted earnings per ordinary shares (in sen)	2.56	1.19

32. DIVIDENDS

	Group/Company	
	2025 RM	2024 RM
Dividends recognised as distribution to ordinary shareholders of the Company:		
A first and final single-tier dividend of 0.236 sen per ordinary share in respect of the financial year ended 31 December 2023, paid on 28 June 2024	-	1,623,679
A single-tier interim dividend of 0.291 sen per ordinary share in respect of the financial year ended 31 December 2024, paid on 30 December 2024	-	2,002,078
A single-tier interim dividend of 0.406 sen per ordinary share in respect of the financial year ended 31 December 2025, paid on 26 September 2025	2,796,693	-
	2,796,693	3,625,757

The Directors do not recommend the payment of any final dividend in respect of current financial year.

33. LONG-TERM INCENTIVE PLAN ("LTIP")

On 23 January 2024, the Company has established a LTIP of up to 10% of the total number of issued shares of the Company, comprising executives' share option scheme ("ESOS") and executives' share grant scheme ("ESGS"), to be granted to the Eligible Persons of the Group who is eligible executive directors and eligible executives who meet the criteria of eligibility for participation in the LTIP in accordance with the By-Laws. The LTIP shall be in force for a period of 5 years from 23 January 2024.

The salient features of the LTIP are as follows:

- (a) The maximum number of new ordinary shares available under the LTIP shall not exceed ten percent (10%) of the total number of issued and paid-up share capital of the Company (excluding treasury shares, if any) at any point of time during the duration of the LTIP.
- (b) The LTIP shall be in force for a period of five (5) years commencing from the effective date upon full compliance with the ACE Market Listing Requirements of Bursa Malaysia Securities Berhad and may be extended by the Board of Directors at its absolute discretion, without having to obtain approval from the Company's shareholders, for up to another five (5) years immediately from the expiry of the first five (5) years, and shall not in aggregate exceed ten (10) years from the effective implementation of the LTIP.
- (c) The ESOS Options shall not carry any rights to vote at any general meeting of the Company. The grantees shall not in any event be entitled to any dividends, rights or other entitlements on unexercised ESOS Options.
- (d) The new Company's shares ("new Shares") to be allotted and issued under the LTIP, upon allotment and issuance, rank pari passu in all respects with the existing Company's ordinary shares, including voting rights, save and except that the said new Shares allotted will not be entitled to any dividends, rights, allotments and/or other distributions that may be declared, made or paid prior to the date of allotment of the said new Shares.

NOTES TO THE FINANCIAL STATEMENTS

31 December 2025

33. LONG-TERM INCENTIVE PLAN ("LTIP") (Cont'd)

- (e) The number of Shares allocated to any Eligible Person who, either singly or collectively through persons connected with the Eligible Person, holds 20% or more in the total number of issued Shares (excluding treasury shares) of our Company, shall not exceed 10% of the total number of Company's Shares to be issued under the ESOS and ESGS to the Eligible Person to be implemented from time to time.
- (f) Not more than 70% of the new Shares available under the ESOS and ESGS shall be allocated in aggregate to the Executive Directors and key senior management.

The share options granted and forfeited during the financial year are as follows:

Grant date	Exercise price	Number of options over ordinary shares			
		At 1.1.2025	Exercised	Forfeited	At 31.12.2025
26 January 2024	RM0.27	13,676,000	(891,385)	(671,000)	12,113,615
12 November 2024	RM0.72	13,760,000	(631,250)	(782,500)	12,346,250
		27,436,000	(1,522,635)	(1,453,500)	24,459,865

Grant date	Exercise price	Number of options over ordinary shares			
		At 1.1.2024	Granted	Forfeited	At 31.12.2024
26 January 2024	RM0.27	-	13,756,000	(80,000)	13,676,000
12 November 2024	RM0.72	-	13,760,000	-	13,760,000
		-	27,516,000	(80,000)	27,436,000

The fair value of share options granted were estimated by the management using Black- Scholes-Merton model, taking into account the terms and conditions upon which the options were granted. The fair value of share options measured at grant date and the assumptions used are as follows:

Fair value of share options at the following grant dates: (RM)

26 January 2024	0.4461
12 November 2024	0.3351
Weighted average share price (RM)	0.66 - 0.76
Weighted average exercise price (RM)	0.27 - 0.72
Expected volatility (%)	51.66 - 53.43
Expected life (years)	5
Risk-free interest rate, p.a. (%)	3.55 - 3.69
Expected dividend yield (%)	0.31 - 0.37

The expected life of the share options is based on historical data and is not necessarily indicative of exercise patterns that may occur. The expected volatility reflects the assumption that the historical volatility is indicative of future trends, which may also not necessarily be the actual outcome.

Executive Directors of the Group and of the Company and other members of key management have been granted the following number of options under the ESOS:

	Group		Company	
	2025	2024	2025	2024
	Number of share options		Number of share options	
ESOS				
At 1 January	12,080,000	-	9,808,000	-
Granted	-	12,080,000	-	9,808,000
Exercised	(725,600)	-	(545,600)	-
Forfeited	(272,000)	-	-	-
At 31 December	11,082,400	12,080,000	9,262,400	9,808,000

NOTES TO THE FINANCIAL STATEMENTS

31 December 2025

34. STAFF COSTS

	Group		Company	
	2025 RM	2024 RM	2025 RM	2024 RM
Salaries, wages and other emoluments	69,361,757	58,834,858	4,128,181	2,923,722
Defined contribution plans	4,421,542	3,909,643	435,283	321,021
Social security contributions	662,099	564,646	14,239	8,999
Employment insurance scheme	32,726	30,990	1,610	1,028
Provision for employee benefits	55,568	22,604	-	-
Share options granted under ESOS	3,216,139	2,425,430	3,216,139	2,425,430
Other staff related expenses	932,137	987,665	26,512	21,101
Total staff costs	78,681,968	66,775,836	7,821,964	5,701,301
Less: Amount capitalised under construction contracts (Note 15)	(2,690,675)	(1,229,768)	-	-
	75,991,293	65,546,068	7,821,964	5,701,301

Included in staff costs presented under cost of sales of the Group amounting to RM34,723,076 (2024: RM45,806,183).

Included in the staff costs is aggregate amount of remuneration received by the Directors of the Company and its subsidiaries during the financial year as below:

	Group		Company	
	2025 RM	2024 RM	2025 RM	2024 RM
Executive Directors				
Company's Directors				
- salaries and other emoluments	1,584,000	1,584,000	1,584,000	1,320,000
- defined contribution plans	190,080	190,080	190,080	158,400
- social security contributions	2,500	2,185	2,500	1,838
- employment insurance scheme	286	250	286	210
- share options granted under ESOS	485,692	596,836	485,692	596,836
- other employee benefits	4,988	2,904	4,988	3,943
	2,267,546	2,376,255	2,267,546	2,081,227
Executive Directors				
Subsidiaries' Directors				
- salaries and other emoluments	1,549,526	1,525,755	-	-
- defined contribution plans	182,466	187,504	-	-
- social security contributions	3,318	3,590	-	-
- employment insurance scheme	143	213	-	-
	1,735,453	1,717,062	-	-
	4,002,999	4,093,317	2,267,546	2,081,227

The Group's and the Company's Directors' remuneration does not include the estimated monetary value of benefits-in-kind amounting to RM122,000 and RM56,000 (2024: RM60,440 and RM56,000) respectively.

NOTES TO THE FINANCIAL STATEMENTS

31 December 2025

35. RECONCILIATION OF LIABILITIES ARISING FROM FINANCING ACTIVITIES

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

	Note	At 1 January RM	Financing cash flows (i) RM	New leases [Note 5(b)] RM	Other changes (ii) RM	At 31 December RM
Group						
2025						
Bank borrowings	21	4,393,694	3,884,497	-	-	8,278,191
Lease liabilities	22	3,326,335	(1,212,597)	406,393	120,318	2,640,449
		7,720,029	2,671,900	406,393	120,318	10,918,640
2024						
Bank borrowings	21	3,775,678	618,016	-	-	4,393,694
Lease liabilities	22	894,243	(814,605)	2,612,703	633,994	3,326,335
		4,669,921	(196,589)	2,612,703	633,994	7,720,029
Company						
2025						
Amount due to a subsidiary	16	55,000	(55,000)	-	-	-
2024						
Amount due to a subsidiary	16	2,712,817	(2,657,817)	-	-	55,000

(i) The financing cash flows include drawdown/repayments of term loans and payment of lease liabilities.

(ii) Other changes represent the early termination of lease contracts, modification of lease contracts and exchange differences.

36. RELATED PARTY DISCLOSURES

(a) Identifying related parties

For the purposes of these financial statements, parties are considered to be related to the Group and/or if the Group or the Company has the ability, directly or indirectly, to control or joint control the party or exercise significant influence over the party in making financial and operating decisions, or vice versa, or where the Group and the party are subject to common control. Related parties may be individuals or other entities.

Related parties also include key management personnel defined as those persons having authority and responsibility for planning, directing and controlling the activities of the Group either directly or indirectly. The key management personnel comprise the Directors and management personnel of the Group, having authority and responsibility for planning, directing and controlling the activities of the Group entities directly or indirectly.

NOTES TO THE FINANCIAL STATEMENTS

31 December 2025

36. 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:

	2025 RM	Group 2024 RM
Transactions with associates:		
Income		
Sales	4,111,054	6,771,820
Management fee received/receivable	24,000	24,000
Interest received/receivable	42,991	43,299
Expenses		
Purchases	2,060,124	1,841,928
Interest paid/payable	-	971
Transactions with related parties:		
Income		
Sales	6,620	18,903
Expenses		
Purchases	6,072	112,394
Administrative expenses paid/payable	21,166	12,658
Interest paid/payable	147,018	85,301
Rental paid/payable	-	38,400
	2025 RM	Company 2024 RM
Transactions with a subsidiary:		
Income		
Dividend receivable	6,700,000	9,000,000
Management fee received/receivable	3,300,000	2,400,000
Interest received/receivable	209,715	-
Expenses		
Administrative expenses paid/payable	300,000	250,000

The nature and relationship between the Group with the related parties are as follows:

- (i) a person who has financial interest in the Company;
- (ii) a company in which a Director of the Company has financial interest; and
- (iii) companies in which a substantial shareholder of certain subsidiaries has financial interest.

NOTES TO THE FINANCIAL STATEMENTS

31 December 2025

36. RELATED PARTY DISCLOSURES (Cont'd)

- (c) Compensation of key management personnel

Remuneration of the Directors and other members of key management are as follows:

	Group		Company	
	2025 RM	2024 RM	2025 RM	2024 RM
Fees	276,000	263,903	276,000	263,903
Salaries and other emoluments	4,343,947	4,246,335	2,794,421	2,302,781
Defined contribution plans	510,057	495,058	327,591	258,108
Social security contributions	10,817	10,144	7,499	5,514
Employment insurance scheme	1,000	962	857	630
Share options granted under ESOS	1,411,726	1,280,512	1,180,210	1,032,566
Other employee benefits	4,988	2,904	4,988	3,943
	6,558,535	6,299,818	4,591,566	3,867,445

The Group's and the Company's Directors' remuneration does not include the estimated monetary value of benefits-in-kind amounting to RM122,000 and RM56,000 (2024: RM60,440 and RM56,000) respectively.

37. SEGMENT INFORMATION

The Group has four major reporting segments, as described below, which are the Group's strategic business units. Segment information is primarily presented in respect of the Group's business segment which is based on the Group's management and internal reporting structure. The following summary describes the operations in each of the Group's reportable segments:

The main business segments of the Group comprise the followings:

Cooling energy	Cooling energy segment comprises the following services: <ol style="list-style-type: none"> Cooling energy management services which mainly involves the supply of chilled water for space cooling as well as providing operations and maintenance services for cooling energy systems. EPCC of cooling energy system which mainly involves the construction of new, upgrading and/or retrofitting of cooling energy systems.
Cleaning services	Cleaning services to maintain the cleanliness, tidiness and hygiene of buildings and outdoor areas.
Facilities management	Facilities management services are mainly related to the repair and maintenance of machinery and equipment.
Investment	Investment holding.

Management monitors the operating results of its business units separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on profit or loss and is measured consistently with profit or loss in the consolidated financial statements.

Transactions between segments are carried out on agreed terms between both parties. The effects of such inter-segment transactions are eliminated on consolidation. The measurement basis and classification are consistent with those adopted in the previous financial year.

The total of segment assets is measured based on all assets of a segment, as included in the internal management reports that are reviewed by the Group's Directors. Segment total assets are used to measure the return of assets of each segment.

Additions to non-current assets represent addition of property, plant and equipment, right-of-use assets and investment properties.

Segment liabilities information is neither included in the internal management reports nor provided regularly to the Group Managing Director. Hence no disclosure is made on segment liabilities.

NOTES TO THE FINANCIAL STATEMENTS

31 December 2025

37. SEGMENT INFORMATION (Cont'd)

Geographical segments

In determining the Group segment, revenue and non-current assets are based on the geographical location of customers as follows:

	Revenue	
	2025 RM	2024 RM
Malaysia	164,090,923	102,058,690
Singapore	30,757,937	26,565,381
Thailand	17,605,470	9,121,474
	212,454,330	137,745,545

	Non-current assets	
	2025 RM	2024 RM
Malaysia	9,124,900	9,283,975
Singapore	893,611	1,211,130
Thailand	16,457,832	12,650,224
	26,476,343	23,145,329

Segment results

	Cooling energy RM	Cleaning services RM	Facilities management RM	Investment RM	Total RM
2025					
Revenue					
Total revenue	181,146,070	70,870,370	13,992,724	10,000,000	276,009,164
Less: Inter-segment revenue	(51,809,868)	(1,386,059)	(358,907)	(10,000,000)	(63,554,834)
Revenue from external customers	129,336,202	69,484,311	13,633,817	-	212,454,330

Financial results

Segment results	27,388,758
Interest income	139,316
Finance costs	(686,259)
Depreciation	(2,319,957)
Share of results of associates, net of tax	21,406
Profit before tax	24,543,264
Taxation	(6,438,731)
Profit for the financial year	18,104,533

Assets

Additions to non-current assets	2,950,903
Segment assets	204,416,733

NOTES TO THE FINANCIAL STATEMENTS

31 December 2025

37. SEGMENT INFORMATION (Cont'd)

Segment results (Cont'd)

	Cooling energy RM	Cleaning services RM	Facilities management RM	Investment RM	Total RM
2024					
Revenue					
Total revenue	90,684,851	58,581,537	14,275,553	11,400,000	174,941,941
Less: Inter-segment revenue	(25,000,724)	(337,856)	(457,816)	(11,400,000)	(37,196,396)
Revenue from external customers	65,684,127	58,243,681	13,817,737	-	137,745,545
Financial results					
Segment results					12,129,511
Interest income					132,186
Finance costs					(394,530)
Depreciation					(1,609,570)
Share of results of associates, net of tax					17,183
Profit before tax					10,274,780
Taxation					(2,023,933)
Profit for the financial year					8,250,847
Assets					
Additions to non-current assets					3,818,213
Segment assets					149,724,686

Other non-cash expenses/(income) consist of the following items as presented in the respective notes to financial statements:

	2025 RM	2024 RM
Other non-cash expenses		
Deposit forfeited	-	27,000
Impairment losses on:		
- amount due from associates	-	105,078
- contract assets	-	7,923
- investment in associates	-	38,677
- investment properties	-	171,327
- trade receivables	34,224	4,160
Property, plant and equipment written off	-	308
Provision for employee benefits	55,568	22,604
Share based payment	3,216,139	2,425,430
Unrealised loss on foreign exchange	43,335	10,169
Other non-cash income		
Gain on disposal of property, plant and equipment	(243)	(216,000)
Gain on early termination of lease contracts	-	(1,937)
Reversal of impairment losses on contract assets	-	(331)

NOTES TO THE FINANCIAL STATEMENTS

31 December 2025

37. SEGMENT INFORMATION (Cont'd)

Segment results (Cont'd)

Information about major customer

Revenue from major customers with revenue equal or more than 10% of the Group's revenue is as follows:

Customer	Segment	Revenue	
		2025 RM	2024 RM
Company A	Cooling energy	34,260,569	-

38. FINANCIAL INSTRUMENTS

(a) Classification of financial instruments

The following table analyses the financial assets and liabilities in the statements of financial position by the class of financial instruments to which they are assigned and therefore by the measurement basis:

	Carrying amount RM	Financial asset at FVTPL RM	Financial assets at amortised cost RM	Financial liabilities at amortised cost RM
Group				
2025				
Financial assets				
Short-term investments	41,580,296	41,580,296	-	-
Concession receivables	18,941,685	-	18,941,685	-
Trade receivables	48,859,809	-	48,859,809	-
Other receivables [#]	5,086,203	-	5,086,203	-
Amount due from associates	2,830,466	-	2,830,466	-
Deposits, bank and cash balances	16,464,136	-	16,464,136	-
	133,762,595	41,580,296	92,182,299	-
Financial liabilities				
Trade payables	23,944,313	-	-	23,944,313
Other payables*	29,469,982	-	-	29,469,982
Bank borrowings	9,235,903	-	-	9,235,903
Lease liabilities	2,640,449	-	-	2,640,449
	65,290,647	-	-	65,290,647

NOTES TO THE FINANCIAL STATEMENTS

31 December 2025

38. FINANCIAL INSTRUMENTS (Cont'd)

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

The following table analyses the financial assets and liabilities in the statements of financial position by the class of financial instruments to which they are assigned and therefore by the measurement basis: (Cont'd)

	Carrying amount RM	Financial asset at FVTPL RM	Financial assets at amortised cost RM	Financial liabilities at amortised cost RM
Group				
2024				
Financial assets				
Short-term investments	58,254,921	58,254,921	-	-
Concession receivables	16,136,949	-	16,136,949	-
Trade receivables	26,833,965	-	26,833,965	-
Other receivables [#]	6,226,118	-	6,226,118	-
Amount due from associates	2,487,010	-	2,487,010	-
Deposits, bank and cash balances	9,301,625	-	9,301,625	-
	119,240,588	58,254,921	60,985,667	-
Financial liabilities				
Trade payables	13,620,474	-	-	13,620,474
Other payables*	11,262,634	-	-	11,262,634
Bank borrowings	4,393,831	-	-	4,393,831
Lease liabilities	3,326,335	-	-	3,326,335
	32,603,274	-	-	32,603,274
Company				
2025				
Financial assets				
Short-term investments	38,823,866	38,823,866	-	-
Other receivables [#]	12,718,753	-	12,718,753	-
Amount due from subsidiaries	10,161,337	-	10,161,337	-
Deposits, bank and cash balances	108,875	-	108,875	-
	61,812,831	38,823,866	22,988,965	-
Financial liabilities				
Other payables	531,462	-	-	531,462
	531,462	-	-	531,462

NOTES TO THE FINANCIAL STATEMENTS

31 December 2025

38. FINANCIAL INSTRUMENTS (Cont'd)

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

The following table analyses the financial assets and liabilities in the statements of financial position by the class of financial instruments to which they are assigned and therefore by the measurement basis: (Cont'd)

	Carrying amount RM	Financial asset at FVTPL RM	Financial assets at amortised cost RM	Financial liabilities at amortised cost RM
Company				
2024				
Financial assets				
Short-term investments	49,932,512	49,932,512	-	-
Other receivables#	9,009,442	-	9,009,442	-
Amount due from subsidiaries	440,417	-	440,417	-
Deposits, bank and cash balances	117,101	-	117,101	-
	59,499,472	49,932,512	9,566,960	-
Financial liabilities				
Other payables	407,386	-	-	407,386
Amount due to subsidiaries	55,000	-	-	55,000
	462,386	-	-	462,386

Exclude withholding tax, government grant receivable and prepayments.

* Exclude Goods and Services Tax payable and Sales and Services Tax payable.

(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 the Company's operations whilst managing its credit, liquidity, foreign currency and interest rate 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 are not to engage in speculative transactions.

The Group and the Company have exposure to the following risks from its use of financial instruments:

(i) Credit risk

Credit risk is the risk of a financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations. The Group's exposure to credit risk arises principally from its trade and other receivables, amount due from associates and deposits with banks. The Company's exposure to credit risk arises principally from other receivables, amount due from subsidiaries and deposits with banks. There are no significant changes as compares to prior financial year.

The Group has adopted a policy of only dealing with creditworthy counterparties. Management has a credit policy in place to control credit risk by dealing with creditworthy counterparties and deposits with banks 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 and the Company provide unsecured advances to its associates and subsidiaries respectively. The Group and the Company monitor on an ongoing basis the results of the associates and subsidiaries and repayments made by the associates and subsidiaries.

At each reporting date, the Group assesses whether any of the receivables and contracts assets are credit impaired.

NOTES TO THE FINANCIAL STATEMENTS

31 December 2025

38. FINANCIAL INSTRUMENTS (Cont'd)

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

The Group and the Company have exposure to the following risks from its use of financial instruments: (Cont'd)

(i) Credit risk (Cont'd)

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 determines that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off. Nevertheless, receivables 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 at the end of the reporting period represent the Group's and the Company's maximum exposure to credit risk.

The Group has no significant concentration of credit risk as its exposure spread over a large number of customers and amount due from associates where the risk of default is assessed to be low. The Company has no significant concentration of credit risk except for amount due from subsidiaries where the risk of default is assessed to be low.

At the end of the reporting period, the Group has 3 debtors (2024: 1 debtor) that accounted for 37% (2024: 14%) of total outstanding trade receivables.

Financial guarantees

The Company provides unsecured financial guarantees to licensed banks for credit facilities granted to certain subsidiaries. The Company monitors on an ongoing basis the results of the subsidiaries and repayments made by the subsidiaries.

The Company's maximum exposure to credit risk is RM7,070,799 (2024: RM5,606,478), representing the outstanding credit facilities of the subsidiaries at the end of the reporting period. There was no indication that any subsidiary would default on repayment at the end of the reporting period.

(ii) Liquidity risk

Liquidity risk is the risk that the Group and the Company will not be able to meet its financial obligations as and when they fall due. The Group's and the Company's exposure to liquidity risk arises principally from mismatches of maturities of financial assets and liabilities.

The Group's and the Company's funding requirements and liquidity risks is managed with the objective of meeting business obligations on a timely basis. The Group and the Company monitor its cash flows and ensure that sufficient funding is in place to meet the obligations as and when they fall due.

NOTES TO THE FINANCIAL STATEMENTS

31 December 2025

38. FINANCIAL INSTRUMENTS (Cont'd)

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

(ii) Liquidity risk (Cont'd)

The following table analyses the remaining contractual maturity for financial liabilities. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Group and the Company can be required to pay.

	On demand or within 1 year RM	1 to 2 years RM	2 to 5 years RM	After 5 years RM	Total contractual cash flows RM	Total carrying amount RM
Group						
2025						
<u>Non-derivative financial liabilities</u>						
Trade payables	23,944,313	-	-	-	23,944,313	23,944,313
Other payables	29,469,982	-	-	-	29,469,982	29,469,982
Bank borrowings	2,866,877	1,837,663	5,451,309	-	10,155,849	9,235,903
Lease liabilities	1,300,975	853,937	723,861	-	2,878,773	2,640,449
	57,582,147	2,691,600	6,175,170	-	66,448,917	65,290,647
2024						
<u>Non-derivative financial liabilities</u>						
Trade payables	13,620,474	-	-	-	13,620,474	13,620,474
Other payables	11,262,634	-	-	-	11,262,634	11,262,634
Bank borrowings	1,527,739	1,380,727	1,881,494	-	4,789,960	4,393,831
Lease liabilities	1,329,747	1,119,873	1,120,092	113,017	3,682,729	3,326,335
	27,740,594	2,500,600	3,001,586	113,017	33,355,797	32,603,274

NOTES TO THE FINANCIAL STATEMENTS

31 December 2025

38. FINANCIAL INSTRUMENTS (Cont'd)

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

(ii) Liquidity risk (Cont'd)

	On demand or within 1 year RM	Total contractual cash flows RM	Total carrying amount RM
Company			
2025			
<u>Non-derivative financial liabilities</u>			
Other payables	531,462	531,462	531,462
Financial guarantees*	7,070,799	7,070,799	-
	7,602,261	7,602,261	531,462
2024			
<u>Non-derivative financial liabilities</u>			
Other payables	407,386	407,386	407,386
Amount due to a subsidiary	55,000	55,000	55,000
Financial guarantees*	5,606,478	5,606,478	-
	6,068,864	6,068,864	462,386

* Based on the maximum amount that can be called under the financial guarantee contracts.

(iii) Market risks

(1) Foreign currency risk

The Group is exposed to foreign currency risk on transactions that are denominated in currencies other than the functional currency of the Company. The currencies giving rise to this risk is United States Dollar ("USD").

The Group has not entered into any derivative instruments for hedging or trading purposes. Where possible, the Group will apply natural hedging by selling and purchasing in the same currency. However, the exposure to foreign currency risk is monitored from time to time by management.

The carrying amounts of the Group's foreign currency denominated monetary assets and liabilities at the end of the reporting period are as follows:

	Denominated in USD	
	2025 RM	2024 RM
Group		
Monetary asset		
Cash and bank balances	29,970	33,029
Monetary liability		
Trade payables	(1,507)	(9,160)
	28,463	23,869

NOTES TO THE FINANCIAL STATEMENTS

31 December 2025

38. FINANCIAL INSTRUMENTS (Cont'd)

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

(iii) Market risks (Cont'd)

(1) Foreign currency risk (Cont'd)

Foreign currency sensitivity analysis

The following table demonstrates the sensitivity of the Group's profit before tax/equity to a reasonably possible change in the USD exchange rates against RM, with all other variables held constant.

	2025		2024	
	Change in currency rate	Effect on profit before tax/equity RM	Change in currency rate	Effect on profit before tax/equity RM
Group				
USD	Strengthen 10%	2,846	Strengthen 10%	2,387
	Weakened 10%	(2,846)	Weakened 10%	(2,387)

(2) Interest rate risk

The Group's fixed rate deposits placed with a licensed bank and borrowings are exposed to a risk of change in their fair value due to changes in interest rates. The Group's variable rate borrowings are exposed to a risk of change in cash flows due to changes in interest rates.

The Group manages the interest rate risk of its deposits with a licensed bank 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 monitors its interest rate risk by reviewing its debts portfolio to ensure favourable rates are obtained. The Group does not utilise interest swap contracts or other derivative instruments for trading or speculative purposes.

NOTES TO THE FINANCIAL STATEMENTS

31 December 2025

38. FINANCIAL INSTRUMENTS (Cont'd)

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

(iii) Market risks (Cont'd)

(2) Interest rate risk (Cont'd)

The interest rate profile of the Group's significant interest-bearing financial instruments, based on carrying amounts at the end of the reporting period was:

	2025 RM	Group 2024 RM
Fixed rate instruments		
Financial asset		
Fixed deposit with a licensed bank	2,405,454	2,348,988
Financial liabilities		
Bank borrowings	5,400	15,928
Lease liabilities	2,640,449	3,326,335
	2,645,849	3,342,263
Floating rate instruments		
Financial asset		
Amount due from an associate	1,221,326	1,221,326
Financial liabilities		
Amount due to an associate	-	128,922
Bank borrowings	9,230,503	4,377,903
	9,230,503	4,506,825

Cash flow sensitivity analysis for floating rate instruments

A change in 1% interest rate at the end of the reporting period would have (decreased)/increased the Group's profit before tax/equity by RM80,092 (2024: RM32,855) respectively, arising mainly as a result of higher/lower interest expense on floating rate financial liabilities. This analysis assumes that all other variables remain constant. The assumed movement in basis points for interest rate sensitivity analysis is based on the currently observable market environment.

NOTES TO THE FINANCIAL STATEMENTS

31 December 2025

38. FINANCIAL INSTRUMENTS (Cont'd)

(c) Fair value of financial instruments

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

The carrying amount of long-term floating rate loans and borrowings approximately their fair value as the loans will be re-priced to market interest rate on or near reporting date.

It was not practical to estimate the fair value of investment in unquoted equity due to the lack of comparable quoted prices in an active market and the fair value cannot be reliably measured.

The table below analyses financial instruments carried at fair value, together with their fair values and carrying amounts shown in the statements of financial position:

	Fair value of financial instruments carried at fair value			Carrying amount
	Level 1 RM	Level 2 RM	Level 3 RM	RM
Group				
2025				
Financial asset				
Short-term investments	-	41,580,296	-	41,580,296
2024				
Financial asset				
Short-term investments	-	58,254,921	-	58,254,921
Company				
2025				
Financial asset				
Short-term investments	-	38,823,866	-	38,823,866
2024				
Financial asset				
Short-term investments	-	49,932,512	-	49,932,512

The fair value of the money market funds was determined by reference to the quoted prices provided by the financial intermediaries.

Transfer between levels of fair value hierarchy

There is no transfer between levels of fair value hierarchy during the financial year.

NOTES TO THE FINANCIAL STATEMENTS

31 December 2025

39. CAPITAL MANAGEMENT

The Group and the Company's objectives 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 the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

The Group and the Company monitor capital using gearing ratio, which is the net debts divided by total equity. 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 the end of the reporting period are as follows:

	Group		Company	
	2025 RM	2024 RM	2025 RM	2024 RM
Bank borrowings	9,235,903	4,393,831	-	-
Lease liabilities	2,640,449	3,326,335	-	-
Total debts	11,876,352	7,720,166	-	-
Less: Cash and cash equivalents	(54,681,266)	(65,207,421)	(38,932,741)	(50,049,613)
Total excess funds	(42,804,914)	(57,487,255)	(38,932,741)	(50,049,613)
Total equity	132,711,302	113,711,150	103,944,030	101,285,162
Gross gearing ratio (%)	9%	7%	#	#
Net gearing ratio (%)	*	*	#	#

* Gearing ratio is not presented as the Group is in net cash position as at 31 December 2025 and 31 December 2024.

Gearing ratio not applicable as the Company has no borrowing as at 31 December 2025 and 31 December 2024.

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

NOTES TO THE FINANCIAL STATEMENTS

31 December 2025

40. FINANCIAL GUARANTEES

	Company	
	2025 RM	2024 RM
Corporate guarantees given to licensed banks to secure banking facilities granted to subsidiaries		
- Limit of guarantees	59,665,100	60,143,650
- Amount utilised	7,070,799	5,606,478

41. SUBSEQUENT EVENTS

- (i) On 13 January 2026, the Company listed 248,000 units of Special Issue Shares on the ACE Market of Bursa Malaysia Securities Berhad. On the same date, the Company sought the concurrence of the Securities Commission to deem it as having complied with the Bumiputera Equity Condition.
- (ii) On 10 February 2026, KJ Technical Services, a wholly-owned subsidiary of the Company received a full refund of deposit following the lapse of Share Purchase Agreement dated 3 February 2025 on 5 February 2026, due to non-fulfilment of certain conditions precedent.
- (iii) On 5 March 2026, KJ Technical Services entered into a share purchase agreement to acquire a 70.67% equity interest in iHandal Holdings for RM10.1 million. The acquisition was completed on 10 April 2026, resulting in iHandal Holdings Sdn. Bhd. becoming a 70.67% subsidiary of the Group.

42. DATE OF AUTHORISATION FOR ISSUE OF FINANCIAL STATEMENTS

The financial statements of the Group and of the Company for the financial year ended 31 December 2025 were authorised for issue in accordance with a resolution of the Directors on 20 April 2026.

OTHER INFORMATION

> ANNUAL REPORT 2025



166	List of Properties
167	Shareholding Statistics
169	Notice of Fourth Annual General Meeting ("4 th AGM")
172	Statement Accompanying Notice of Annual General Meeting
173	Administration Guide Proxy Form

LIST OF PROPERTIES

No.	Details of Properties	Location	Description/ Existing Use	Built-up Area (Square Feet)	Tenure	Date of Acquisition	Approximate Age of Building (Years)	Carrying Amount as at 31/12/2025 (RM)
1	<p>Registered Owner: MDSA Capital Sdn. Bhd.</p> <p>Beneficial owner: KJ Technical Services Sdn. Bhd.</p>	Unit No. A-28-29, Level 28, Imperio Residence @ Hatten City, 75000, Melaka	<p>Description: One unit of apartment on 28th Floor</p> <p>Existing Use: Investment property</p>	869	99 years lease expiring on 5 August 2119 with a remaining lease period of about 94 years	Date of Acquisition: 1 March 2021	5 years	430,515
2	<p>Registered Owner: MDSA Capital Sdn. Bhd.</p> <p>Beneficial owner: KJ Technical Services Sdn. Bhd.</p>	Unit No. A-29-31, Level 29, Imperio Residence @ Hatten City, 75000, Melaka	<p>Description: One unit of apartment on 29th Floor</p> <p>Existing Use: Investment property</p>	463	99 years lease expiring on 5 August 2119 with a remaining lease period of about 94 years	Date of Acquisition: 1 March 2021	5 years	232,577

SHAREHOLDING STATISTICS

31 March 2026

Class of Shares : Ordinary Shares
 Total Number of Issued Shares : 690,610,220
 Voting Rights : 1 vote for each ordinary share held

DISTRIBUTION OF SHAREHOLDINGS

Size of Holdings	No. of Holders	%	No. of Shares	%
1 - 99	12	0.65	198	0.00
100 - 1,000	430	23.22	211,384	0.03
1,001 - 10,000	849	45.84	4,219,817	0.61
10,001 - 100,000	379	20.46	12,764,268	1.85
100,001 - 34,530,510 ^(*)	179	9.67	389,677,419	56.43
34,530,511 and above ^(**)	3	0.16	283,737,134	41.08
Total	1,852	100.000	690,610,220	100.000

Remark: * - Less than 5% of issued shares
 ** - 5% and above of issued shares

SUBSTANTIAL SHAREHOLDERS

(As per the Register of Substantial Shareholders)

No.	Name of Shareholders	Direct		Indirect	
		No. of Shares Held	% of Shares Held	No. of Shares Held	% of Shares Held
1	LEE KOK CHOON	185,118,567	26.81	-	-
2	SHELDON WEE TAH POH	185,118,567	26.81	-	-

DIRECTORS' SHAREHOLDINGS

(As per the Register of Directors' Shareholding)

No.	Name of Shareholders	No. of Shares Held	% of Shares Held
1	AZURA BINTI AZMAN	500,000	0.07
2	ELAINE LAW SOH YING	80,000	0.01
3	LEE KOK CHOON	185,118,567	26.81
4	NG KOK KEN	400,000	0.06
5	SHELDON WEE TAH POH	185,118,567	26.81
6	TEOH PEK LOO	360,000	0.05

SHAREHOLDING STATISTICS

31 March 2026

30 LARGEST SHAREHOLDERS

No.	Name of Shareholders	No. of Shares	%
1	SHELDON WEE TAH POH	121,618,567	17.61
2	LEE KOK CHOON	117,118,567	16.96
3	DB (MALAYSIA) NOMINEE (TEMPATAN) SENDIRIAN BERHAD EXEMPT AN FOR DEUTSCHE BANK AG SINGAPORE (MAYBANK SG PWM)	45,000,000	6.52
4	CITIGROUP NOMINEES (TEMPATAN) SDN BHD EXEMPT AN FOR AIA BHD.	30,792,300	4.46
5	CIMSEC NOMINEES (TEMPATAN) SDN BHD CIMB FOR LEE KOK CHOON (PB)	20,000,000	2.90
6	CIMSEC NOMINEES (TEMPATAN) SDN BHD CIMB FOR SHELDON WEE TAH POH (PB)	20,000,000	2.90
7	NG WAI PIN	17,054,900	2.47
8	HSBC NOMINEES (TEMPATAN) SDN BHD HSBC (M) TRUSTEE BHD FOR MANULIFE INVESTMENT SHARIAH PROGRESS FUND	17,046,100	2.47
9	CARTABAN NOMINEES (TEMPATAN) SDN BHD PRUDENTIAL ASSURANCE MALAYSIA BERHAD FOR PRULINK STRATEGIC FUND	15,373,800	2.23
10	CARTABAN NOMINEES (TEMPATAN) SDN BHD TMF TRUSTEES MALAYSIA BERHAD FOR AFFIN HWANG WHOLESALE EQUITY FUND 2	14,000,000	2.03
11	ALLIANCEGROUP NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR LEE KOK CHOON (7004936)	13,500,000	1.95
12	ALLIANCEGROUP NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR SHELDON WEE TAH POH (7005125)	13,500,000	1.95
13	MAYBANK NOMINEES (TEMPATAN) SDN BHD MAYBANK PRIVATE WEALTH MANAGEMENT FOR SHELDON WEE TAH POH (12026006) (459247)	10,000,000	1.45
14	DB (MALAYSIA) NOMINEE (TEMPATAN) SENDIRIAN BERHAD DEUTSCHE TRUSTEES MALAYSIA BERHAD FOR HONG LEONG DANA MAKMUR	9,600,000	1.39
15	CARTABAN NOMINEES (TEMPATAN) SDN BHD PRUDENTIAL ASSURANCE MALAYSIA BERHAD FOR PRULINK STRATEGIC FUND 2	8,619,500	1.25
16	HSBC NOMINEES (TEMPATAN) SDN BHD HSBC (M) TRUSTEE BHD FOR MANULIFE INVESTMENT AL-FAUZAN (5170)	8,455,300	1.22
17	HSBC NOMINEES (TEMPATAN) SDN BHD HSBC (M) TRUSTEE BHD FOR PRINCIPAL ISLAMIC MALAYSIA OPPORTUNITIES FUND	8,000,000	1.16
18	MAYBANK NOMINEES (TEMPATAN) SDN BHD MAYBANK PRIVATE WEALTH MANAGEMENT FOR LEE KOK CHOON (12026018) (459339)	6,500,000	0.94
19	HSBC NOMINEES (TEMPATAN) SDN BHD HSBC (M) TRUSTEE BHD FOR MANULIFE INVESTMENT PROGRESS FUND (4082)	5,765,800	0.83
20	DB (MALAYSIA) NOMINEE (TEMPATAN) SENDIRIAN BERHAD DEUTSCHE TRUSTEES MALAYSIA BERHAD FOR HONG LEONG GROWTH FUND	5,500,000	0.80
21	CITIGROUP NOMINEES (TEMPATAN) SDN BHD GREAT EASTERN LIFE ASSURANCE (MALAYSIA) BERHAD (LPF)	5,100,000	0.74
22	CIMB ISLAMIC NOMINEES (TEMPATAN) SDN BHD CIMB ISLAMIC TRUSTEE BERHAD - KENANGA SYARIAH GROWTH FUND	5,048,600	0.73
23	HSBC NOMINEES (TEMPATAN) SDN BHD HSBC (M) TRUSTEE BHD FOR MANULIFE INVESTMENT SHARIAH PROGRESS PLUS FUND	4,983,000	0.72
24	CITIGROUP NOMINEES (TEMPATAN) SDN BHD LEMBAGA TABUNG HAJI (PRINCIPAL)	4,319,600	0.63
25	HSBC NOMINEES (TEMPATAN) SDN BHD HSBC (M) TRUSTEE BHD FOR PRINCIPAL ISLAMIC SMALL CAP OPPORTUNITIES FUND	4,279,900	0.62
26	CITIGROUP NOMINEES (TEMPATAN) SDN BHD URUSHARTA JAMAAH SDN. BHD. (AHAM AM 2)	4,018,400	0.58
27	HSBC NOMINEES (TEMPATAN) SDN BHD HSBC (M) TRUSTEE BHD FOR PRINCIPAL ISLAMIC LIFETIME BALANCEDGROWTH FUND	4,000,000	0.58
28	HSBC NOMINEES (TEMPATAN) SDN BHD HSBC (M) TRUSTEE BHD FOR PRINCIPAL MALAYSIA TITANS PLUS FUND	3,943,900	0.57
29	DB (MALAYSIA) NOMINEE (TEMPATAN) SENDIRIAN BERHAD DEUTSCHE TRUSTEES MALAYSIA BERHAD FOR HONG LEONG BALANCED FUND	3,766,900	0.55
30	HSBC NOMINEES (TEMPATAN) SDN BHD HSBC (M) TRUSTEE BHD FOR PRINCIPAL DALI EQUITY FUND	3,434,200	0.50

NOTICE OF FOURTH ANNUAL GENERAL MEETING (“4TH AGM”)

NOTICE IS HEREBY GIVEN that the Fourth Annual General Meeting (“4th AGM”) of KJTS GROUP BERHAD (“KJTS” or the “Company”) will be conducted physically at Sime Darby Convention Centre, 1A, Jalan Bukit Kiara 1, 60000 Kuala Lumpur, Malaysia on Monday, 15 June 2026 at 10.00 a.m. to transact the following businesses:

AGENDA

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. | [Please refer to Explanatory Note 1] |
| 2. To re-elect Azura binti Azman who retires pursuant to Clause 76(3) of the Company’s Constitution. | Resolution 1 |
| 3. To re-elect Lee Kok Choon who retires pursuant to Clause 76(3) of the Company’s Constitution. | Resolution 2 |
| 4. To approve the payment of Directors’ fees for an amount not exceeding RM276,000.00 for the period from 16 June 2026 until the next Annual General Meeting of the Company. | Resolution 3 |
| 5. To re-appoint UHY Malaysia PLT as Auditors of the Company and to authorise the Directors to fix their remuneration. | Resolution 4 |

Special Business

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

- | | |
|---|---------------------|
| 6. ORDINARY RESOLUTION
Authority to Issue and Allot Shares pursuant to Sections 75 and 76 of the Companies Act, 2016 | Resolution 5 |
|---|---------------------|

“THAT pursuant to Sections 75 and 76 of the Act, ACE Market Listing Requirements of Bursa Malaysia Securities Berhad (“Bursa Securities”) (“Listing Requirements”) and the approval of the relevant regulatory authorities, where such approval is required, the Directors of the Company be and are hereby authorised to issue and allot shares in the capital of the Company, grant rights to subscribe for shares in the Company, convert any securities into shares in the Company, or allot shares under an agreement or option or offer (“New Shares”) from time to time, at such price, to such persons and for such purposes and upon such terms and conditions as the Directors may in their absolute discretion deem fit, provided that the aggregate number of such New Shares to be issued, to be subscribed under any rights granted, to be issued from conversion of any security, or to be issued and allotted under an agreement or option or offer, pursuant to this resolution, when aggregated with the total number of any such shares issued during the preceding 12 months does not exceed 10% of the total number of issued shares (excluding any treasury shares) of the Company for the time being (“Proposed General Mandate”).

THAT such approval on the Proposed General Mandate shall continue to be in force until:

- a. the conclusion of the next Annual General Meeting (“AGM”) of the Company held after the approval was given;
- b. the expiration of the period within which the next AGM 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 of the Company be and are hereby also empowered to obtain the 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.

NOTICE OF FOURTH ANNUAL GENERAL MEETING ("4TH AGM")

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

7. To transact any other business of which due notice shall have been given in accordance with the Companies Act 2016.

By Order of the Board

NUR SHAHFAIZA BINTI MD YUSOFF SSM PC NO. 202008000953 (MAICSA7052006)

Company Secretary

Kuala Lumpur
30 April 2026

NOTES:

1. For the purpose of determining who shall be entitled to participate in this General Meeting, the Company shall be requesting Bursa Malaysia Depository Sdn. Bhd. to make available to the Company, the Record of Depositors as at 8 June 2026. Only a member whose name appears on this Record of Depositors shall be entitled to participate in this General Meeting or appoint a proxy to attend, speak and vote on his/her/its behalf.
 - (i) In hard copy form
In the case of an appointment made in hard copy form, the Proxy Form must be deposited with the Company's Share Registrar at Unit 32-01, Level 32, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Malaysia or its drop-in box located at Unit G-3, Ground Floor, Vertical Podium, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur.
 - (ii) In electronic form
The Proxy Form can be electronically lodged with the Company's Share Registrar via Vistra Share Registry and IPO (MY) Portal at <https://srmy.vistra.com>. Please follow the procedures set out in the Administrative Guide.
2. A member entitled to attend and vote at this General Meeting is entitled to appoint a proxy or attorney or in the case of a corporation, to appoint a duly authorised representative to attend, participate, speak and vote in his place. A proxy may but need not be a member of the Company.
3. A member of the Company who is entitled to attend and vote at a General Meeting of the Company may appoint not more than two (2) proxies to attend, participate, speak and vote instead of the member at the General Meeting.
4. Where a member of the Company is an authorised nominee as defined in the Central Depositories Act, it may appoint not more than two (2) proxies in respect of each securities account it holds in ordinary shares of the Company standing to the credit of the said securities account.
5. Where a member of the Company is an exempt authorised nominee which holds ordinary shares in the Company for multiple beneficial owners in one securities account ("omnibus account"), there is no limit to the number of proxies which the exempt authorised nominee may appoint in respect of each omnibus account it holds. An exempt authorised nominee refers to an authorised nominee defined under the Securities Industry (Central Depositories) Act 1991 ("Central Depositories Act") which is exempted from compliance with the provisions of Section 25A(1) of the Central Depositories Act.
6. Where a member appoints more than one (1) proxy, the proportion of shareholdings to be represented by each proxy must be specified in the instrument appointing the proxies.
7. The appointment of a proxy may be made in a hard copy form 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 General Meeting or adjourned General Meeting at which the person named in the appointment proposes to vote:
 - (i) In hard copy form
In the case of an appointment made in hard copy form, the Proxy Form must be deposited with the Company's Share Registrar at Unit 32-01, Level 32, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Malaysia or its drop-in box located at Unit G-3, Ground Floor, Vertical Podium, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur.
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8. Any authority pursuant to which such an appointment is made by a power of attorney must be deposited with the Company's Share Registrar at Unit 32-01, Level 32, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Malaysia or its drop-in box located at G-3, Ground Floor, Vertical Podium, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur not less than forty-eight (48) hours before the time appointed for holding the General Meeting or adjourned General Meeting at which the person named in the appointment proposes to vote. A copy of the power of attorney may be accepted provided that it is certified notarially and/or in accordance with the applicable legal requirements in the relevant jurisdiction in which it is executed.
9. For a corporate member who has appointed an authorised representative, please deposit the ORIGINAL certificate of appointment of authorised representative with the Company's Share Registrar at Unit 32-01, Level 32, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8 Jalan Kerinchi, 59200 Kuala Lumpur, Malaysia. The certificate of appointment of authorised representative should be executed in the following manner:
 - (i) If the corporate member has a common seal, the certificate of appointment of authorised representative should be executed under seal in accordance with the constitution of the corporate member.
 - (ii) If the corporate member does not have a common seal, the certificate of appointment of authorised representative should be affixed with the rubber stamp of the corporate member (if any) and executed by:
 - (a) at least two (2) authorised officers, of whom one shall be a director; or
 - (b) any director and/or authorised officers in accordance with the laws of the country under which the corporate member is incorporated.
10. Please ensure ALL the particulars as required in the Proxy Form are completed, signed and dated accordingly.
11. Last date and time for lodging the Proxy Form is Saturday, 13 June 2026 at 10.00 a.m.
12. Shareholders are advised to check the Company's website and announcements from time to time for any changes to the administration of the 4th AGM.

NOTICE OF FOURTH ANNUAL GENERAL MEETING (“4TH AGM”)

Explanatory Notes on Ordinary Business

1. Agenda Item No. 1 - Audited Financial Statements for the Financial Year Ended 31 December 2025

The Audited Financial Statements is meant for discussion only as an approval from the shareholders is not required pursuant to the provision of Section 340(1)(a) of the Companies Act 2016 (“the Act”). Hence, this item on the Agenda is not put forward for voting.

2. Resolutions 1 and 2 - Re-election of Directors

Please refer to the Statement Accompanying the Notice of AGM for information.

3. Resolution 3 - Payment of Directors’ Fees

Pursuant to Section 230(1) of the Act, the fees of the directors and any benefits payable to the directors shall be approved at a general meeting.

The Proposed Resolution 3 is to facilitate the payment of Directors’ fees calculated based on the current board size for the period from 16 June 2026 until the next AGM of the Company. In the event the Directors’ fees proposed are insufficient (due to enlarged Board size), approval will be sought at the next AGM for additional fees to meet the shortfall.

4. Resolution 4 – Re-appointment of Auditors

The Board has through the Audit and Risk Management Committee (“ARMC”) (currently known as Audit Committee), considered the re-appointment of UHY Malaysia PLT as Auditors of the Company. The factors considered by the ARMC in making the recommendation to the Board to table the resolution on re-appointment of UHY Malaysia PLT at the 4th AGM are disclosed in the Corporate Governance Overview Statement of this Annual Report.

Explanatory Notes on Special Business

5. Resolution 5 – Authority to Issue an Allot Shares

The Resolution proposed under Resolution 5, if passed, would empower the Directors to issue and allot up to a maximum of 10% of the total number of issued shares (excluding treasury shares) of the Company for the time being for such purposes as the Directors consider would be in the best interest of the Company. This authority will, unless revoked or varied by the Company in a general meeting, expire at the conclusion of the next AGM or the expiration of the period within which the next AGM is required by law to be held, whichever is the earlier.

This Proposed General Mandate is to provide flexibility to the Company to issue new securities without the need to convene separate general meeting to obtain its shareholders’ approval so as to avoid incurring additional costs and time.

The purpose of the Proposed General Mandate, if passed, will enable the Directors to take swift action in case of a need to issue and allot new shares in the Company for any possible fund raising activities including but not limited to further placement of shares for purpose of funding current and/or future investment projects, working capital, repayment of bank borrowings, acquisitions and/or issuance of shares as settlement of purchase consideration, or other circumstances arise which involve grant of rights to subscribe for shares, conversion of any securities into shares, or allotment of shares under an agreement or option or offer, or such other application as the Directors may deem fit in the best interest of the Company.

This is the third general mandate to be sought by the Company since its listing on the ACE Market of Bursa Malaysia Securities Berhad on 26 January 2024. As at the date of this notice, there is no decision to issue new shares. Should there be a decision to issue new shares after the general mandate is sought, the Company will make an announcement of the actual purpose and utilisation of proceeds arising from such issuance of shares.

STATEMENT ACCOMPANYING NOTICE OF ANNUAL GENERAL MEETING

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

ELECTION/APPOINTMENT AS DIRECTORS

There are no individuals standing for election/appointment as Directors at the Fourth Annual General Meeting ("4th AGM").

Azura Binti Azman and Lee Kok Choon are standing for re-election as Directors of the Company and being eligible, have offered themselves for re-election at the 4th AGM. Their profiles can be found on pages 12 and 13 of the Annual Report 2025.

The Board of Directors had via the Nominating Committee ("NC") assessed the retiring Directors, Azura Binti Azman and Lee Kok Choon, and was satisfied that they have met the performance criteria set out in the assessments in the discharge of their duties and responsibilities. The abovementioned Directors have also met the relevant requirements under the fit and proper assessment and the NC is satisfied with the outcome of the fit and proper assessments. The NC and Board have also conducted an assessment on their independence and are satisfied that they have complied with the criteria prescribed by the ACE Market Listing Requirements. None of the retiring Directors has any conflict of interest, potential conflict of interest or perceived conflict of interest, including interest in any business that is in competition with the Company or its subsidiaries.

In addition to the above, the Board supports and recommended the re-election of Azura Binti Azman and Lee Kok Choon as Directors of the Company based on the following:-

1. Azura Binti Azman

Puan Azura Binti Azman was appointed as Independent Non-Executive Chairman of the Company on 21 November 2022. The Board, via the NC had assessed Puan Azura Binti Azman, who is due to retire at the forthcoming 4th AGM, and was satisfied that she is able to provide valuable input and views to the Group based on her extensive career in the capital markets and banking industry, covering corporate banking, institutional sales, equity broking, private equity and business development. She has also exercised due care and fulfill her responsibilities during her tenure as Independent Non-Executive Chairman.

2. Lee Kok Choon

Mr Lee Kok Choon was appointed as the Group Managing Director of the Company on 3 June 2022. The Board, via the NC had assessed Mr Lee Kok Choon, who is due to retire at the forthcoming 4th AGM, and was satisfied that he is able to provide valuable input and views to the Group based on his background, skills, experience and leadership roles within the Group. He has also exercised due care and fulfill his responsibilities during his tenure as Group Managing Director as well as the Chairman of Long-Term Incentive Plan Committee.

GENERAL MANDATE FOR ISSUE OF SECURITIES

Kindly refer to item 5 of the Explanatory Notes on Special Business as contained in the Notice of 4th AGM.

ADMINISTRATIVE GUIDE

For the Fourth Annual General Meeting (“4th AGM”)

Day and Date

Monday, 15 June 2026

Time

10.00 a.m.

Meeting Venue

Sime Darby Convention Centre, 1A, Jalan Bukit Kiara 1, 60000 Kuala Lumpur, Malaysia

REGISTRATION

The registration counter starts at 9.00 a.m. on Monday, 15 June 2026 and will open until the conclusion of the 4th AGM or such time may be determined by the Chairman of the Meeting.

Shareholders or proxies are requested to produce/show their original MyKAD or Passport (for non-Malaysians) to the registration staff for verification purposes. Please ensure the original MyKAD or Passport is returned to you thereafter. Please take note that no person will be allowed to register on behalf of another person, even with the original MyKAD or Passport of that person.

Upon verification, shareholders or proxies will also be given the identification wristbands for voting purposes. No person will be allowed to enter the meeting hall without the identification wristband. There will be no replacement for the identification wristband if it is lost or misplaced.

CORPORATE MEMBERS

Corporate members who wish to appoint corporate representatives instead of a proxy, must deposit their original or duly certified certificate of appointment of corporate representative to Tricor Investor & Issuing House Services Sdn. Bhd. (“TIIH”) on or before the Annual General Meeting.

Attorneys appointed by power of attorney are required to deposit their power of attorney with TIIH not later than Saturday, 13 June 2026 at 10.00 a.m. to attend and vote at the 4th AGM.

PROXY

The appointment of proxy may be made in hard copy form or by electronic form in the following manner and must be received by the Company at least forty-eight (48) hours before the time appointed for holding the 4th AGM or any adjournment thereof, otherwise the Proxy Form shall not be treated as valid:

i) In hardcopy form

In case of an appointment made in hardcopy form, the proxy form must be deposited at the Share Registrar of the Company at Unit 32-01, Level 32, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur or its drop-in box located at Ground Floor, Vertical Podium, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur.

ii) In electronic form

You may also submit your proxy appointment electronically via Vistra Share Registry and IPO (MY) Portal (the “Portal”) at <https://srmy.vistra.com>. Please do read and follow the procedures below to submit proxy form electronically.

ADMINISTRATIVE GUIDE

For the Fourth Annual General Meeting ("4th AGM")

ELECTRONIC LODGMENT OF PROXY FORM

The procedures to lodge your proxy form electronically via the Portal are summarised below:

Procedure	Action
i. Steps for Individual Shareholders	
Register as a User at the Portal	<ul style="list-style-type: none"> Visit the website at https://srmy.vistra.com Click "Register" and select "Individual Holder" and complete the New User Registration Form. For guidance, you may refer to the tutorial guide available on the homepage. Once registration is completed, you will receive an email notification to verify your registered email address. After verification, your registration will be reviewed and approved within one (1) working day. A confirmation email will be sent once approved. Once you receive the confirmation, activate your account by creating your password. <p><i>Note: If you are an existing user with The Portal or our TIIH Online portal previously, you are not required to register again.</i></p>
Proceed with submission of form of proxy	<ul style="list-style-type: none"> After the release of the Notice of Meeting by the Company, login with your email address and password. Select the corporate event: "KJTS GROUP BERHAD 4TH AGM" Navigate to the 3 dots at the end of the corporate event and choose "SUBMISSION OF PROXY FORM". Read and agree to the Terms and Conditions and confirm the Declaration. Indicate the number of shares assigned for your proxy(ies) to vote on your behalf. Appoint your proxy(ies) and insert the required details of your proxy(ies) or appoint the Chairman as your proxy. Indicate your voting instructions – FOR or AGAINST, otherwise your proxy will decide on your votes. Review and confirm your proxy(ies) appointment. Print the Proxy Form for your record.
ii. Steps for corporate or institutional shareholders	
Register as a User at the Portal	<ul style="list-style-type: none"> After the release of the Notice of Meeting by the Company, visit the website at https://srmy.vistra.com. Click "Register" and select "Representative of Corporate Holder" and complete the New User Registration Form. Complete the registration form with your personal details. Once registration is completed, you will receive an email notification to verify your registered email address. After verification, your registration will be reviewed and approved within two (2) working days. A confirmation email will be sent once approved. Once you receive the confirmation, activate your account by creating your password. <p><i>Note: The representative of a corporation or institutional shareholder must register as a user in accordance with the above steps before he/she can subscribe to this corporate holder electronic proxy submission. Please contact Tricor if you need clarifications on the user registration.</i></p>
Proceed with submission of form of proxy	<ul style="list-style-type: none"> Login to https://srmy.vistra.com with your email address and password. Select the corporate event: "KJTS GROUP BERHAD 4TH AGM" Navigate to the icon ">" at the end of the corporate event. Read and agree to the Terms & Conditions and confirm the Declaration. Select the corporate holder's name. Proceed to download the submission file. Prepare the file for the appointment of proxy(ies) by inserting the required data. Proceed to upload the duly completed proxy appointment file. Select "Confirm" to complete your submission. Print the confirmation report of your submission for your record.

ADMINISTRATIVE GUIDE

For the Fourth Annual General Meeting (“4th AGM”)

GENERAL MEETING RECORD OF DEPOSITORS

For the purpose of determining who shall be entitled to attend the 4th AGM, the Company will be requesting Bursa Malaysia Depository Sdn. Bhd. to issue a General Meeting Record of Depositors as at 8 June 2026 and only a depositor whose name appears on such Record of Depositors shall be entitled to attend the said meeting.

Kindly check the Company’s website or announcements from time to time for the latest updates on the status or changes to the 4th AGM arrangement.

POLL VOTING

Voting at the 4th AGM will be conducted by poll in accordance with Rule 8.31A of ACE Market Listing Requirements of Bursa Malaysia Securities Berhad. The Company has appointed Tricor as Poll Administrator to conduct the poll by way of electronic voting (e-voting).

During the 4th AGM, the Chairman will invite the Poll Administrator to brief on the Voting procedures. The voting session will commence as soon as the Chairman calls for the poll to be opened.

Upon completion of the voting session for the 4th AGM, the Scrutineers will verify the poll results followed by the Chairman’s declaration whether the resolutions are duly passed.

DOOR GIFT/VOUCHER

There will be no distribution of door gifts or vouchers for the 4th AGM.

RECORDING OR PHOTOGRAPHY

Strictly NO unauthorised recording or photography of the proceedings of the 4th AGM is allowed.

ENQUIRY

If you have any enquiry prior to the meeting, you may contact the Share Registrar during office hours on Mondays to Fridays from 9.00 a.m. to 5.30 p.m. (except public holidays) at:

Tricor Investor & Issuing House Services Sdn. Bhd.

Telephone Number	General Line	603-2783 9299
Email	ls.enquiry@vistra.com	

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PROXY FORM



KJTS GROUP BERHAD
(Registration No. 202201020004 (1465701-T))
(Incorporated in Malaysia)

CDS Account No.	No. of shares held

*I/We _____ Tel: _____
[Full name in block, NRIC/Passport/Company No.]

of _____
[Full Address]

being member(s) of **KJTS GROUP BERHAD**, hereby appoint:

Full Name (in Capital Letters)	NRIC/Passport No.	Proportion of Shareholdings	
		No. of Shares	%
Address			

and (if more than one (1) proxy)

Full Name (in Capital Letters)	NRIC/Passport No.	Proportion of Shareholdings	
		No. of Shares	%
Address			

or failing him/her, the Chairman of the meeting as my/our proxy to vote for me/us and on my/our behalf at the 4th Annual General Meeting of the Company to be conducted physically at Sime Darby Convention Centre, 1A, Jalan Bukit Kiara 1, 60000 Kuala Lumpur, Malaysia on Monday, 15 June 2026 at 10.00 a.m. and at any adjournment thereof, and to vote as indicated below:

Item	Agenda	Resolution	For	Against
1.	Re-election of Azura Binti Azman	Resolution 1		
2.	Re-election of Lee Kok Choon	Resolution 2		
3.	Payment of Directors' fees for the period from 16 June 2026 until the next Annual General Meeting	Resolution 3		
4.	Re-appointment of UHY Malaysia PLT as Auditors of the Company and authorise the Directors to fix their remuneration	Resolution 4		
5.	Authority to the Directors to issue and allot shares pursuant to Sections 75 and 76 of the Companies Act 2016	Resolution 5		

* Please indicate with an "X" in the space provided whether you wish your votes to be cast for or against the resolutions. In the absence of specific direction, your proxy will vote or abstain as he/she thinks fit.

Dated this _____ day of _____ 2026.

*Signature of Shareholder/ Common Seal

Contact Details:

* Manner of execution:

- If you are an individual member, please sign where indicated.
- If you are a corporate member which has a common seal, this proxy form should be executed under seal in accordance with the constitution of your corporation.
- If you are a corporate member which does not have a common seal, this proxy form should be affixed with the rubber stamp of your company (if any) and executed by:
 - at least two (2) authorised officers, of whom one shall be a director; or
 - any director and/or authorised officers in accordance with the laws of the country under which your corporation is incorporated.

Notes:

1. For the purpose of determining who shall be entitled to participate in this General Meeting, the Company shall be requesting Bursa Malaysia Depository Sdn. Bhd. to make available to the Company, the Record of Depositors as at 8 June 2026. Only a member whose name appears on this Record of Depositors shall be entitled to participate in this General Meeting or appoint a proxy to attend, speak and vote on his/her/its behalf.
2. A member entitled to attend and vote at this General Meeting is entitled to appoint a proxy or attorney or in the case of a corporation, to appoint a duly authorised representative to attend, participate, speak and vote in his place. A proxy may but need not be a member of the Company.
3. A member of the Company who is entitled to attend and vote at a General Meeting of the Company may appoint not more than two (2) proxies to attend, participate, speak and vote instead of the member at the General Meeting.
4. Where a member of the Company is an authorised nominee as defined in the Central Depositories Act, it may appoint not more than two (2) proxies in respect of each securities account it holds in ordinary shares of the Company standing to the credit of the said securities account.
5. Where a member of the Company is an exempt authorised nominee which holds ordinary shares in the Company for multiple beneficial owners in one securities account ("omnibus account"), there is no limit to the number of proxies which the exempt authorised nominee may appoint in respect of each omnibus account it holds. An exempt authorised nominee refers to an authorised nominee defined under the Securities Industry (Central Depositories) Act 1991 ("Central Depositories Act") which is exempted from compliance with the provisions of Section 25A(1) of the Central Depositories Act.
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7. The appointment of a proxy may be made in a hard copy form 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 General Meeting or adjourned General Meeting at which the person named in the appointment proposes to vote:-
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 - (ii) If the corporate member does not have a common seal, the certificate of appointment of authorised representative should be affixed with the rubber stamp of the corporate member (if any) and executed by:-
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10. Please ensure ALL the particulars as required in the Proxy Form are completed, signed and dated accordingly.
11. Last date and time for lodging the Proxy Form is Saturday, 13 June 2026 at 10.00 a.m.
12. Shareholders are advised to check the Company's website and announcements from time to time for any changes to the administration of the 4th AGM.

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STAMP

KJTS GROUP BERHAD

(Registration No. 202201020004 (1465701-T))

c/o **Tricor Investor & Issuing House Services Sdn. Bhd.**

Unit 32-01, Level 32, Tower A,
Vertical Business Suite, Avenue 3, Bangsar South,
No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Malaysia

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KJTS GROUP BERHAD

(Registration No. 202201020004 (1465701-T))

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No. 2, Lorong Dungun Kiri, Damansara Heights
50490 Kuala Lumpur, Malaysia

Telephone (03) 2716 6866

Website www.kjts.com.my

E-mail ir@kjts.com.my