

196501000113 (5938 - A)

PJ DEVELOPMENT HOLDINGS BERHAD

196501000113 (5938 - A)

(Incorporated in Malaysia)

DIRECTORS' REPORT AND AUDITED FINANCIAL STATEMENTS

31 DECEMBER 2025

196501000113 (5938 - A)

PJ DEVELOPMENT HOLDINGS BERHAD
(Incorporated in Malaysia)

CORPORATE INFORMATION

BOARD OF DIRECTORS

Tan Sri Ong Leong Huat @ Wong Joo Hwa
Puan Sri Khor Chai Moi
Ong Ju Yan
Ong Ju Xing
Dato' Thanarajasingam Subramaniam (retired on 13 May 2025)

COMPANY SECRETARIES

Chua Siew Chuan (MAICSA 0777689) (SSM PC No.: 201908002648)
Lim Lih Chau (LS 0010105) (SSM PC No.: 201908001454)

AUDITORS

BDO PLT (201906000013 (LLP0018825-LCA) & AF 0206)
Level 8, BDO @ Menara CenTARa,
360 Jalan Tuanku Abdul Rahman,
50100 Kuala Lumpur.

PRINCIPAL BANKERS

Malayan Banking Berhad
OCBC Bank (Malaysia) Berhad
Public Bank Berhad
RHB Bank Berhad

SOLICITORS

Cheang & Ariff
Halim Hong & Quek
Lee Hishammuddin Allen & Gledhill
Raslan Loong, Shen & Eow
Rosli Dahlan Saravana Partnership

CORPORATE INFORMATION (CONT'D)

REGISTRAR

Boardroom Share Registrars Sdn. Bhd.
11th Floor, Menara Symphony,
No. 5, Jalan Prof. Khoo Kay Kim,
Seksyen 13,
46200 Petaling Jaya,
Selangor.
Tel. No.: (603) 7890 4700
Fax No.: (603) 7890 4670

REGISTERED OFFICE

21st Floor, Plaza OSK,
Jalan Ampang,
50450 Kuala Lumpur.
Tel No.: (603) 2177 1999
Fax No.: (603) 2026 6331

PRINCIPAL BUSINESS ADDRESS

7th Floor, Plaza OSK,
Jalan Ampang,
50450 Kuala Lumpur.
Tel No.: (603) 2177 1999

CORPORATE INFORMATION (CONT'D)

PRINCIPAL BUSINESS ADDRESSES BY SEGMENT

PROPERTY SEGMENT

Property Development

Malaysia

OSK Property
Level 7, Plaza OSK,
Jalan Ampang,
50450 Kuala Lumpur.
Tel No.: (603) 2177 1688
Fax No.: (603) 2177 1687
www.oskproperty.com.my

OSK Construction Sdn. Bhd.
Level 12, Plaza OSK,
Jalan Ampang,
50450 Kuala Lumpur.
Tel No.: (603) 2177 1668
Fax No.: (603) 2078 6688
www.oskconstruction.com

Sales Galleries

Malaysia

Harbour Place Sales Gallery @ Butterworth
Lot 2449 & 2450,
Jalan Chain Ferry,
Seberang Perai Utara,
12100 Butterworth,
Penang.
Tel No.: (604) 332 1188
Fax No.: (604) 332 3128
www.rubica.com.my

OSK Ombak Sales Gallery @ Kuantan
A5, Lorong Haji Ahmad 4,
Taman Galing,
25300 Kuantan,
Pahang.
Tel No : (6011) 2802 8000
www.oskombak.com

Australia

Yarra Park City Pty. Ltd.
Level 2, 99 Queensbridge St,
Melbourne, VIC 3006,
Australia.
Tel No.: (61) 3 9686 5566
Fax No.: (61) 3 9686 5544
www.melbournesquare.com.au

Australia

Melbourne Square Display Gallery, Australia
29 Balston Street,
Southbank, Melbourne,
VIC 3006, Australia.
Tel No.: (61) 4 1637 1166
www.melbournesquare.com.au

CORPORATE INFORMATION (CONT'D)

PRINCIPAL BUSINESS ADDRESSES BY SEGMENT (CONT'D)

PROPERTY SEGMENT (CONT'D)

Property Investment

Faber Towers
Lot 201C, Level 2, Faber Towers,
Jalan Desa Bahagia, Taman Desa,
58100 Kuala Lumpur.
Tel No.: (603) 7980 1311 (Operation)
Tel No.: (603) 7972 6813 (Leasing)
Fax No.: (603) 7980 1310

You City Retail
L2-M2, YOU 3,
Jalan You City, You City,
43200 Cheras, Selangor Darul Ehsan.
Tel No.: (603) 8699 5023

INDUSTRIES SEGMENT

Olympic Cable

Olympic Cable Company Sdn. Bhd.
Marketing & Sales Office
Level 16, Plaza OSK,
Jalan Ampang,
50450 Kuala Lumpur.
Tel No.: (603) 2177 1698
Fax No.: (603) 2177 1693
www.olympic-cable.com.my

Factories

Melaka

Lot PT 2126-2131, Jalan PK1,
Taman Perindustrian Krubong,
75250 Melaka.
Tel No.: (606) 337 3088/3090
Fax No.: (606) 337 3099

Johor Bahru

Lot 7301 - Lot 7302,
33, Jalan Tiran,
Kangkar Tebrau,
81100, Johor Bahru,
Johor Darul Takzim.

Lot 7650, Jalan Permas Barat,
Taman Perindustrian Plentong,
81750 Masai, Johor Bahru,
Johor Darul Takzim.

CORPORATE INFORMATION (CONT'D)

PRINCIPAL BUSINESS ADDRESSES BY SEGMENT (CONT'D)

INDUSTRIES SEGMENT (CONT'D)

Acotec Industrialised Building System

Acotec Sdn. Bhd.
Level 16, Plaza OSK,
Jalan Ampang,
50450 Kuala Lumpur.
Tel No.: (603) 2177 1838
Fax No.: (603) 2177 1833
www.acotec.com.my

Sales Office

Northern Region
No. 2746 (1st Floor),
Jalan Chain Ferry,
Taman Inderawasih,
13600 Prai,
Penang.
Tel No.: (604) 398 9733
Fax No.: (604) 398 1733

Southern Region
No. 02-11, Blok 4,
Danga Bay, Jalan Skudai,
80200 Johor Bahru,
Johor Darul Takzim.
Tel No.: (607) 232 9205
Fax No.: (607) 232 9205

Factories

Central Region
Lot C38, Block C,
Nilai Industrial Estate,
71800 Nilai,
Negeri Sembilan.

Northern Region
76KM Butterworth-Ipoh Main Trunk Road,
34700 Simpang, Taiping,
Perak.

Southern Region
Lot PTB 1290-1298,
Jalan Tun Mutahir 5,
Kawasan Perindustrian Bandar Tenggara,
81000 Kulai,
Johor Darul Takzim.

CORPORATE INFORMATION (CONT'D)

PRINCIPAL BUSINESS ADDRESSES BY SEGMENT (CONT'D)

HOSPITALITY SEGMENT

Hotels and Resorts

Swiss-Garden International Hotels,
Resorts and Inns
Level 14, Plaza OSK,
Jalan Ampang,
50450 Kuala Lumpur.
Tel No.: (603) 9078 2688
www.swissgarden.com

Swiss-Grand Beach Resort Kuantan
(f.k.a. Swiss-Garden Beach Resort Kuantan)
2656-2657, Mukim Sungai Karang,
Balok Beach,
26100 Beserah, Kuantan,
Pahang.
Tel No.: (609) 548 8288
: (603) 9078 2688 (KL Sales Office)
www.swissgarden.com/beach-resort-kuantan

Swiss-Garden Hotel & Residences,
Genting Highlands
Windmill Upon Hills,
Genting Permai,
69000 Genting Highlands,
Pahang.
Tel No.: (603) 9213 0777
: (603) 9078 2688 (KL Sales Office)
www.swissgarden.com/residences-genting

Swiss-Garden Hotel Melaka
T2-4, The Shore @ Melaka River,
Jalan Persisiran Bunga Raya,
75300 Melaka Tengah,
Melaka.
Tel No.: (606) 288 3131
Fax No.: (606) 288 3377
www.swissgarden.com/hotel-melaka

Holiday Inn Express & Suites, Johor Bahru
Lot 512, Jalan Syed Mohd Mufti,
80000 Johor Bahru,
Johor Darul Takzim.
Tel No.: (607) 218 3333

Damai Laut Golf & Country Club
Hala Damai 2, Jalan Damai Laut,
Off Jalan Teluk Senangin,
32200 Lumut,
Perak.
Tel No.: (6019) 574 2113

DoubleTree by Hilton Damai Laut Resort
Persiaran Swiss-Garden,
Jalan Damai Laut,
Off Jalan Teluk Senangin,
32200 Lumut,
Perak.
Tel No.: (605) 684 3333

Vacation Club

SIGI Vacation Club Berhad
Level 14, Plaza OSK,
Jalan Ampang,
50450 Kuala Lumpur.
Tel No.: (603) 7661 6238
www.sgivacationclub.com

PJ DEVELOPMENT HOLDINGS BERHAD
(Incorporated in Malaysia)

CONTENTS	PAGE
Directors' Report	1 - 10
Statement by Directors	11
Statutory Declaration	11
Independent Auditors' Report	12 - 16
Statements of Profit or Loss	17
Statements of Comprehensive Income	18
Statements of Financial Position	19 - 20
Statements of Changes in Equity	21 - 23
Statements of Cash Flows	24 - 27
Notes to the Financial Statements	28 - 192

PJ DEVELOPMENT HOLDINGS BERHAD
(Incorporated in Malaysia)

DIRECTORS' REPORT

The Directors have the pleasure of presenting their report, together with the audited financial statements of PJ Development Holdings Berhad Group ("the Group"), and of PJ Development Holdings Berhad ("the Company") for the year ended 31 December 2025, pursuant to Section 252 of the Companies Act 2016 ("CA2016"). The Group includes the Company and its subsidiaries, associates and a joint venture.

(A) PRINCIPAL ACTIVITIES

The Company is an investment holding company. The principal activities of the Group are organised into three core reportable business segments comprising Property; Industries; and Hospitality, along with an Investment Holding Segment as described in Note 1.3 to the financial statements. Further details of the principal activities of the subsidiaries, and of the associates and a joint venture, are listed in Notes 3.3(f) and 3.4(e) to the financial statements, respectively. There have been no significant changes in the nature of these principal activities during the year.

(B) FINANCIAL MATTERS

Profit after tax for the year

	Group RM'000	Company RM'000
Profit after tax attributable to:		
Owners of the Company	100,015	45,194
Non-controlling interests	(3)	-
	<u>100,012</u>	<u>45,194</u>

Dividend

Dividend declared and paid by the Company since the end of the previous year:

	RM'000
A single-tier interim dividend of 45.0 sen per ordinary share in respect of the current year ended 31 December 2025 was paid on 11 September 2025	<u>236,118</u>

The Directors do not recommend any final dividend for the year ended 31 December 2025. Further details of the dividends are disclosed in Note 1.5 to the financial statements.

DIRECTORS' REPORT (CONT'D)

(B) FINANCIAL MATTERS (CONT'D)

Reserves and provisions

All material transfers to or from reserves or provisions during the year have been disclosed in the financial statements.

Material event during the year

There were no material events during the year other than the changes in the Group's composition as disclosed in Note 3.3(b).

Material event after the reporting period

There were no material events after the reporting period.

Issue of shares and debentures

There were no issuances of shares and debentures during the year.

The details of the Company's shares are disclosed in Note 3.22 to the financial statements.

Options to take up unissued shares of the company

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

Treasury shares

There were no share reissuances, cancellations, resales and buybacks for the current year.

Further details of the treasury shares are disclosed in Note 3.23 to the financial statements.

DIRECTORS' REPORT (CONT'D)

(B) FINANCIAL MATTERS (CONT'D)

Bad and doubtful debts

Before the financial statements of the Group and of the Company were prepared, the Directors took reasonable steps to ascertain that proper action had been taken in relation to the writing off of bad debts and the making of allowance for doubtful debts and satisfied themselves that all known bad debts had been written off and that adequate allowance had been made for doubtful debts in respect of trade receivables, amounts due from immediate holding company, amounts due from related companies, amounts due from subsidiaries and other receivables, as disclosed in Notes 3.9, 3.10, 3.11, 3.12 and 3.13 to the financial statements, respectively.

At the date of this report, the Directors are not aware of any circumstances which would render the amounts written off for bad debts or the amount of the allowance for doubtful debts in the financial statements of the Group and of the Company inadequate to any substantial extent.

Current assets other than debts

Before the financial statements of the Group and of the Company were prepared, the Directors took reasonable steps to ensure that any current assets other than debts, 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, had been written down to an amount which the current assets might be expected so to realise in respect of inventories and contract assets as disclosed in Notes 3.7 and 3.14 to the financial statements respectively.

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

Method of valuation of assets or liabilities

At the date of this report, the Directors are not aware of any circumstances 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. Assets that are measured at fair values including biological assets and short-term funds, are disclosed in Notes 3.15 and 3.16 to the financial statements respectively.

DIRECTORS' REPORT (CONT'D)

(B) FINANCIAL MATTERS (CONT'D)

Contingent and other liabilities

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

- (a) any charge on the assets of the Group and of the Company which has arisen since the end of the year which secures the liabilities of any other person; or
- (b) any contingent liability of the Group and of the Company which has arisen since the end of the year, other than those arising in the normal course of business of the Group and of the Company.

No contingent or other liability has become enforceable, or is likely to become enforceable within the period of twelve (12) months after the end of the year which, in the opinion of the Directors, will or may affect the ability of the Group or of the Company to meet their obligations when they fall due.

Change of circumstances

At the date of this report, the Directors are not aware of any circumstances not otherwise dealt with in this report or the financial statements of the Group and of the Company which would render any amount stated in the financial statements misleading.

Items of unusual nature

In the opinion of the Directors:

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

DIRECTORS' REPORT (CONT'D)

(C) DIRECTORS MATTERS

Directors of the Company

The Directors of the Company who have held office during the year are:

Tan Sri Ong Leong Huat @ Wong Joo Hwa*

Puan Sri Khor Chai Moi*

Ong Ju Yan*

Ong Ju Xing*

Dato' Thanarajasingam Subramaniam - retired on 13 May 2025

* Who is also the director of the subsidiary(ies)

During the period commencing from the end of the financial year to the date of this report, there were no changes in the Directors of the Company.

Directors of the subsidiaries

In addition to the four Directors of the Company who are also Directors of the subsidiaries as disclosed above, the Directors of the subsidiaries who have held office during the year are:

Dato' Saiful Bahri bin Zainuddin

Chong Cheong Leong

Fan Pui Chin

Ng Kin Wai

Ong Ghee Bin

Ong Yee Ching

Soh Choon Guan

Tan Kheak Chun

Ting Chun Hong

Wong Chong Shee

Datuk Hoe Mee Ling - appointed on 27 May 2025

Vignes a/l Perumal - appointed on 3 June 2025

Shamsul Nizam bin Mohd Razi - appointed on 30 July 2025

Ng Lai Ping - resigned on 27 May 2025

Dato' Mohd Daud bin Samsuddin - deceased on 21 June 2025

During the period commencing from the end of the year till the date of this report, there were no changes in the directors of the subsidiaries.

DIRECTORS' REPORT (CONT'D)**(C) DIRECTORS MATTERS (CONT'D)****Directors' interests**

Neither at the end of the year, nor at any time during the year, did there subsist any arrangement to which the Company was a party, being arrangements with the objects of enabling the Directors of the Company to acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate.

According to the Register of Directors' Shareholdings kept by the Company under Section 59 of the CA2016, the Directors in office at the end of the year who have interests in the shares of the Company and of its related corporations during the year are as follows:

(a) The Company

	Number of ordinary shares			
	As at 1.1.2025	Acquired	Disposed	As at 31.12.2025
Indirect interest:				
Tan Sri Ong Leong Huat				
@ Wong Joo Hwa	511,431,893 ⁽¹⁾	45,600	-	511,477,493 ⁽¹⁾

(b) Related corporations**(i) Ultimate holding company, Yellow Rock (L) Foundation**

Tan Sri Ong Leong Huat @ Wong Joo Hwa is deemed to have an interest in Yellow Rock (L) Foundation by virtue of his controlling interest in Yellow Rock (L) Foundation.

(ii) Immediate holding company, OSK Holdings Berhad

	Number of ordinary shares		
	As at 1.1.2025	Bonus Issue	As at 31.12.2025
Direct interests:			
Tan Sri Ong Leong Huat @			
Wong Joo Hwa	54,175,861	27,087,930	81,263,791
Puan Sri Khor Chai Moi	30,101,882	15,050,941	45,152,823
Ong Ju Yan	24,737,550	12,368,775	37,106,325
Ong Ju Xing	22,084,395	11,042,197	33,126,592

DIRECTORS' REPORT (CONT'D)**(C) DIRECTORS MATTERS (CONT'D)****Directors' interests (Cont'd)****(b) Related corporations (Cont'd)****(ii) Immediate holding company, OSK Holdings Berhad (Cont'd)**

	Number of ordinary shares			As at 31.12.2025
	As at 1.1.2025	Bonus Issue	Acquired	
Indirect interests:				
Tan Sri Ong				
Leong Huat				
@ Wong Joo Hwa	1,072,851,139 ⁽²⁾	536,425,568	3,198,000	1,612,474,707 ⁽²⁾
Puan Sri Khor				
Chai Moi	39,737,045 ⁽³⁾	19,868,521	70,000	59,675,566 ⁽³⁾
Ong Ju Yan	2,667,701 ⁽⁴⁾	1,333,850	-	4,001,551 ⁽⁴⁾
Ong Ju Xing	926,600 ⁽⁴⁾	463,300	-	1,389,900 ⁽⁴⁾

(iii) Related company, OSK Property Holdings Berhad

	Number of ordinary shares		
	As at 1.1.2025	Subscribed	As at 31.12.2025
Indirect interest:			
Tan Sri Ong Leong Huat			
@ Wong Joo Hwa	345,639,965 ⁽¹⁾	218,500,000	564,139,965 ⁽¹⁾

Notes:

- (1) Deemed interested pursuant to Section 8 of CA2016 by virtue of his substantial shareholdings in OSK Holdings Berhad.
- (2) Deemed interested pursuant to Section 8 of CA2016 by virtue of his controlling interest in Yellow Rock (L) Foundation and OSK Equity Holdings Sdn. Bhd., and disclosure made pursuant to Section 59(11)(c) of CA2016 in relation to interests held by his children, other than Ong Ju Yan and Ong Ju Xing and his spouse, Puan Sri Khor Chai Moi, whose interests have been disclosed herein.
- (3) Disclosure made pursuant to Section 59(11)(c) of CA2016 in relation to interests held by her children, other than Ong Ju Yan and Ong Ju Xing whose interests have been disclosed herein.
- (4) Disclosure made pursuant to Section 59(11)(c) of CA2016 in relation to interests held by his spouse.

DIRECTORS' REPORT (CONT'D)**(C) DIRECTORS MATTERS (CONT'D)****Directors' interests (Cont'd)**

Tan Sri Ong Leong Huat @ Wong Joo Hwa, by virtue of his interest in the Company, is also deemed to have an interest in the shares of all the Company's subsidiaries to the extent the Company has an interest.

Other than as disclosed above, the other Director in office at the end of the year did not hold any shares of the Company or of its related corporations.

Remuneration and benefits of directors of the company

Directors' remuneration and benefits for the year were as follows:

	Group RM'000	Company RM'000
Fees	7	7
Salaries, bonuses and other emoluments	9,232	4,069
Defined contribution plan	685	488
Estimated money value of benefits-in-kind	83	64
	10,007	4,628

Since the end of the previous year, no Director has received or become entitled to receive a benefit (other than benefits included in the aggregate amount of emoluments received or due and receivable by the Directors or the fixed salary of full-time employees or estimated money value of other benefits of certain subsidiaries of the Company where further details are disclosed in Note 4.3(b) to the financial statements) by reason of a contract made by the Company or a related corporation with any Director or with a firm of which he is a member, or with a company in which he has a substantial financial interest, except information as disclosed in Notes 4.3(c) and 4.3(d) to the financial statements.

DIRECTORS' REPORT (CONT'D)**(C) DIRECTORS MATTERS (CONT'D)****Indemnity and insurance for directors, officers and auditors**

The immediate holding company, OSK Holdings Berhad, provides insurance cover for the Directors and officers of OSK Holdings Berhad and its subsidiaries including the Company. The cost of such insurance thereon is disclosed in the Directors' Report of OSK Holdings Berhad. There was no indemnity given to or insurance cover for the auditors of the Group and of the Company during the year.

(D) AUDITORS AND AUDITORS' REMUNERATION

The auditors of the Company, BDO PLT (201906000013 (LLP0018825-LCA) & AF 0206), have expressed their willingness to continue in office.

The Group's auditors' remuneration comprising (a) auditors of the Company and its member firms; and (b) other auditors for the year were as follows:

	Group RM'000	Company RM'000
Statutory audit	339	48
Other services	41	5
	<u>380</u>	<u>53</u>

Further details of the auditors' remuneration are disclosed in Note 2.4 to the financial statements.

(E) STRUCTURE OF THE GROUP**(a) Immediate and ultimate holding companies**

Yellow Rock (L) Foundation, a Labuan Foundation registered under the Labuan Foundations Act 2010, is regarded by the Directors as the Company's ultimate holding company.

OSK Holdings Berhad, a company incorporated in Malaysia and listed on the Main Market of Bursa Malaysia Securities Berhad, represents the Company's immediate holding company.

DIRECTORS' REPORT (CONT'D)

(E) STRUCTURE OF THE GROUP (CONT'D)

(b) Subsidiaries

The details of subsidiaries are disclosed in Note 3.3 to the financial statements.

For the year ended 31 December 2025, the auditors' reports on the financial statements of all the subsidiaries were unqualified.

None of the subsidiaries hold any shares in the holding company or in other related corporations.

Signed on behalf of the Board in accordance with a resolution of the Directors dated 6 March 2026.



Tan Sri Ong Leong Huat @ Wong Joo Hwa



Ong Ju Yan

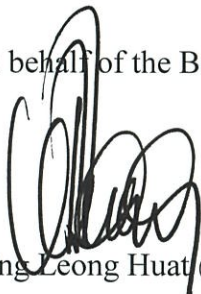
Kuala Lumpur, Malaysia
6 March 2026

PJ DEVELOPMENT HOLDINGS BERHAD
(Incorporated in Malaysia)

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

We, Tan Sri Ong Leong Huat @ Wong Joo Hwa and Ong Ju Yan, being two of the Directors of PJ Development Holdings Berhad, do hereby state that, in the opinion of the Directors, the accompanying financial statements set out on pages 17 to 192 are drawn up in accordance with MFRS Accounting Standards, which were previously known as 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 the results and the cash flows of the Group and of the Company for the year ended on that date.

Signed on behalf of the Board in accordance with a resolution of the Directors dated 6 March 2026.



Tan Sri Ong Leong Huat @ Wong Joo Hwa



Ong Ju Yan

Kuala Lumpur, Malaysia
6 March 2026

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

I, Ng Lai Ping (CA 12349), being the officer primarily responsible for the financial management of PJ Development Holdings Berhad, do solemnly and sincerely declare that the accompanying financial statements set out on pages 17 to 192 are in my opinion correct, and I make this solemn declaration conscientiously believing the same to be true and by virtue of the provisions of the Statutory Declarations Act 1960.

Subscribed and solemnly declared by
the abovenamed Ng Lai Ping
at Kuala Lumpur in the Federal Territory
on 6 March 2026



Ng Lai Ping

Before me,

Commissioner for Oaths
Kuala Lumpur, Malaysia
6 March 2026



SUITE 9.03, TINGKAT 9
MENARA RAJA LAUT
NO. 288 JALAN RAJA LAUT
50350 KUALA LUMPUR

196501000113 (5938 - A)

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF
PJ DEVELOPMENT HOLDINGS BERHAD
(Incorporated in Malaysia)**

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of PJ Development Holdings 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, statements of comprehensive income, statements of changes in equity and statements of cash flows of the Group and of the Company for the year then ended, and notes to the financial statements, including material accounting policy information, as set out on pages 17 to 192.

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 year then ended in accordance with MFRS Accounting Standards, which were previously known as 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.



196501000113 (5938 - A)

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF
PJ DEVELOPMENT HOLDINGS BERHAD (Cont'd)
(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 Directors' 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 Directors' Report 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 Directors' Report and, in doing so, consider whether the Directors' Report 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 Directors' Report, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Directors for the Financial Statements

The Directors of the Company are responsible for the preparation of financial statements of the Group and of the Company that give a true and fair view in accordance with MFRS Accounting Standards, which were previously known as 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 ability of the Group and of the Company 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.



196501000113 (5938 - A)

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF
PJ DEVELOPMENT HOLDINGS BERHAD (Cont'd)
(Incorporated in Malaysia)**

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:

- (a) Identify and assess the risks of material misstatement of the financial statements of the Group and of the Company, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- (b) 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 internal control of the Group and of the Company.
- (c) Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Directors.



196501000113 (5938 - A)

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF
PJ DEVELOPMENT HOLDINGS BERHAD (Cont'd)
(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)

- (d) Conclude on the appropriateness of the Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's or the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements of the Group and of the Company or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Group or the Company to cease to continue as a going concern.
- (e) 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.
- (f) 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 purposes of the group audit. We remain solely responsible for our audit opinion.

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

Report on Other Legal and Regulatory Requirements

In accordance with the requirements of the Companies Act 2016 in Malaysia, we report that the subsidiary of which we have not acted as auditors, is disclosed in Note 3.3 to the financial statements.



196501000113 (5938 - A)

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF
PJ DEVELOPMENT HOLDINGS BERHAD (Cont'd)
(Incorporated in Malaysia)**

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.

BDO PLT
201906000013 (LLP0018825-LCA) & AF 0206
Chartered Accountants

Ng Soe Kei
02982/08/2027 J
Chartered Accountant

Kuala Lumpur
6 March 2026

PJ DEVELOPMENT HOLDINGS BERHAD
(Incorporated in Malaysia)

STATEMENTS OF PROFIT OR LOSS
FOR THE YEAR ENDED 31 DECEMBER 2025

	Note	Group		Company	
		2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
<i>Operating activities:</i>					
Revenue	2.1	1,202,479	924,835	48,637	152,904
Cost of sales	2.2	(950,450)	(718,606)	(5,405)	(4,283)
Gross profit		252,029	206,229	43,232	148,621
Selling expenses	2.3	(9,728)	(9,510)	-	-
General and administrative expenses	2.4	(129,854)	(113,912)	(435)	(1,349)
Research and development expenses	2.5	(1,623)	(967)	-	-
		110,824	81,840	42,797	147,272
Impairment write back/(loss) - net	2.6	3,256	(4,606)	1,623	-
Other operating income	2.7	10,917	7,591	859	829
Other operating expenses	2.8	(3,440)	(4,317)	(5,117)	(26,540)
Operating profit		121,557	80,508	40,162	121,561
<i>Investing activities:</i>					
Share of results of associates and a joint venture, net of tax		(10,216)	9,428	-	-
Income from cash and cash equivalents	2.10	15,737	13,154	8,814	6,607
Fair valuation loss on other investments	2.11	(1,793)	-	(1,793)	-
		3,728	22,582	7,021	6,607
Profit before financing and income tax		125,285	103,090	47,183	128,168
<i>Financing activities:</i>					
Interest expense on borrowings	2.12	(18,277)	(13,648)	(244)	(252)
Interest expense on other liabilities	2.13	(202)	(246)	-	-
		(18,479)	(13,894)	(244)	(252)
Profit before tax		106,806	89,196	46,939	127,916
Tax expense	2.14	(6,794)	(18,160)	(1,745)	(1,407)
Profit after tax		100,012	71,036	45,194	126,509
Profit/(Loss) attributable to:					
Owners of the Company		100,015	71,043	45,194	126,509
Non-controlling interests	3.3(e)	(3)	(7)	-	-
		100,012	71,036	45,194	126,509
Earnings per share (sen)					
Basic/Diluted	1.6	19.06	13.54		

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

PJ DEVELOPMENT HOLDINGS BERHAD
(Incorporated in Malaysia)

STATEMENTS OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2025

	Group		Company	
	2025	2024	2025	2024
	RM'000	RM'000	RM'000	RM'000
Profit after tax	100,012	71,036	45,194	126,509
Other comprehensive expenses for the year				
Items of other comprehensive expenses that are not subject to tax effects:				
Will be reclassified to statement of profit or loss in subsequent periods when specific conditions are met:				
- <i>Foreign currency translation loss</i>	(9,939)	(60,169)	-	-
	(9,939)	(60,169)	-	-
Share of other comprehensive expenses and reserves of associates accounted for using equity method for items that are not subject to tax effects:				
Will be reclassified to statement of profit or loss in subsequent periods when specific conditions are met:				
- <i>Fair values through other comprehensive income ("FVTOCI") and other reserves</i>	(607)	(454)	-	-
	(607)	(454)	-	-
Total other comprehensive expenses for the year	(10,546)	(60,623)	-	-
Total comprehensive income	89,466	10,413	45,194	126,509
Total comprehensive income/(expenses) attributable to:				
Owners of the Company	89,469	10,420	45,194	126,509
Non-controlling interests	(3)	(7)	-	-
	89,466	10,413	45,194	126,509

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

PJ DEVELOPMENT HOLDINGS BERHAD
(Incorporated in Malaysia)

STATEMENTS OF FINANCIAL POSITION
AS AT 31 DECEMBER 2025

	Note	Group		Company	
		2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
ASSETS:					
Non-current					
Property, plant and equipment	3.1	563,055	531,109	474	606
Investment properties	3.2	70,497	71,718	-	-
Investments in subsidiaries	3.3	-	-	875,472	859,365
Investments in associates and a joint venture	3.4	475,931	496,787	-	-
Intangible assets	3.5	4,809	4,641	-	-
Right-of-use assets	3.6	43,392	45,343	-	-
Inventories	3.7	77,765	67,457	-	-
Deferred tax assets	3.8	24,147	25,538	-	-
Trade receivables	3.9	-	12,308	-	-
Other assets	3.13	118	40	-	-
Amounts due from subsidiaries	3.12	-	-	5,473	720
		<u>1,259,714</u>	<u>1,254,941</u>	<u>881,419</u>	<u>860,691</u>
Current					
Inventories	3.7	133,629	109,323	-	-
Trade receivables	3.9	179,511	158,406	-	-
Other assets	3.13	31,001	33,797	110	53
Contract assets	3.14	160	19,080	-	-
Biological assets	3.15	406	606	-	-
Amount due from immediate holding company	3.10	953	-	-	-
Amounts due from related companies	3.11	65,115	71,575	-	-
Amounts due from subsidiaries	3.12	-	-	5,521	28,224
Tax recoverable		13,654	1,778	-	-
Cash, bank balances and short-term funds	3.16	377,486	491,077	53,979	242,690
		<u>801,915</u>	<u>885,642</u>	<u>59,610</u>	<u>270,967</u>
TOTAL ASSETS		<u>2,061,629</u>	<u>2,140,583</u>	<u>941,029</u>	<u>1,131,658</u>

PJ DEVELOPMENT HOLDINGS BERHAD
(Incorporated in Malaysia)

STATEMENTS OF FINANCIAL POSITION
AS AT 31 DECEMBER 2025 (CONT'D)

	Note	Group		Company	
		2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
LIABILITIES:					
Non-current					
Borrowings	3.17	95,345	106,312	-	-
Trade payables	3.18	15,104	15,725	-	-
Other liabilities	3.19	1,164	1,047	-	-
Contract liabilities	3.21	44,670	52,953	-	-
Lease liabilities	3.6	1,047	2,586	-	-
Deferred tax liabilities	3.8	11,885	9,390	-	-
		<u>169,215</u>	<u>188,013</u>	<u>-</u>	<u>-</u>
Current					
Borrowings	3.17	210,209	173,106	5,000	5,000
Trade payables	3.18	83,058	67,874	-	-
Other liabilities	3.19	177,600	164,228	2,367	1,715
Provisions	3.20	46,419	39,063	-	-
Contract liabilities	3.21	4,055	4,280	-	-
Lease liabilities	3.6	2,577	2,766	-	-
Tax payable		2,370	1,351	242	599
Amounts due to related companies	3.11	156,175	143,299	-	-
		<u>682,463</u>	<u>595,967</u>	<u>7,609</u>	<u>7,314</u>
TOTAL LIABILITIES		<u>851,678</u>	<u>783,980</u>	<u>7,609</u>	<u>7,314</u>
NET ASSETS		<u>1,209,951</u>	<u>1,356,603</u>	<u>933,420</u>	<u>1,124,344</u>
EQUITY:					
Share capital	3.22	570,726	570,726	570,726	570,726
Treasury shares, at cost	3.23	(5,133)	(5,133)	(5,133)	(5,133)
		<u>565,593</u>	<u>565,593</u>	<u>565,593</u>	<u>565,593</u>
Reserves	3.24	644,396	791,045	367,827	558,751
Issued capital and reserves attributable to Owners of the Company		1,209,989	1,356,638	933,420	1,124,344
Non-controlling interests	3.3(e)	(38)	(35)	-	-
TOTAL EQUITY		<u>1,209,951</u>	<u>1,356,603</u>	<u>933,420</u>	<u>1,124,344</u>
Net Assets per share (RM)	1.7	<u>2.31</u>	<u>2.59</u>		

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

PJ DEVELOPMENT HOLDINGS BERHAD
(Incorporated in Malaysia)

STATEMENTS OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2025

Group

		Attributable to Owners of the Company						
Note	Share capital	Treasury shares	Foreign currency translation reserves	Other reserve	Retained profits	Total issued share capital and reserves	Non-controlling interests	Total equity
	(Note 3.22)	(Note 3.23)	(Note 3.24)	(Note 3.24)	(Note 3.24)		[Note 3.3(e)]	
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
As at 1 January 2025	570,726	(5,133)	(95,701)	(1,012)	887,758	1,356,638	(35)	1,356,603
Profit/(Loss) after tax	-	-	-	-	100,015	100,015	(3)	100,012
Foreign currency translations loss	-	-	(9,939)	-	-	(9,939)	-	(9,939)
Share of other comprehensive expense and reserves of associates accounted for using equity method:								
- <i>FVTOCI and other reserves</i>	-	-	-	(607)	-	(607)	-	(607)
Other comprehensive expenses	-	-	(9,939)	(607)	-	(10,546)	-	(10,546)
Total comprehensive (expenses)/income	-	-	(9,939)	(607)	100,015	89,469	(3)	89,466
Dividends paid to Owners of the Company	1.5	-	-	-	(236,118)	(236,118)	-	(236,118)
Total transactions with Owners in their capacity as Owners		-	-	-	(236,118)	(236,118)	-	(236,118)
As at 31 December 2025	570,726	(5,133)	(105,640)	(1,619)	751,655	1,209,989	(38)	1,209,951

PJ DEVELOPMENT HOLDINGS BERHAD
(Incorporated in Malaysia)

STATEMENTS OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2025 (CONT'D)

Group (Cont'd)

	Attributable to Owners of the Company								
	Note	Share capital (Note 3.22)	Treasury shares (Note 3.23)	Foreign currency translation reserves (Note 3.24)	Other reserve (Note 3.24)	Retained profits (Note 3.24)	Total issued share capital and reserves	Non-controlling interests [Note 3.3(e)]	Total equity
		RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
As at 1 January 2024		570,726	(5,133)	(35,532)	(558)	816,722	1,346,225	(35)	1,346,190
Profit/(Loss) after tax		-	-	-	-	71,043	71,043	(7)	71,036
Foreign currency translations loss		-	-	(60,169)	-	-	(60,169)	-	(60,169)
Share of other comprehensive expense and reserves of associates accounted for using equity method:									
- <i>FVTOCI and other reserves</i>		-	-	-	(454)	-	(454)	-	(454)
Other comprehensive expenses		-	-	(60,169)	(454)	-	(60,623)	-	(60,623)
Total comprehensive (expenses)/income		-	-	(60,169)	(454)	71,043	10,420	(7)	10,413
Subscription of new shares in a subsidiary:									
- <i>Accretion of equity interests</i>	3.3(c)(ii)	-	-	-	-	-	-	7	7
- <i>Loss on subscription</i>	3.3(c)(ii)	-	-	-	-	(7)	(7)	-	(7)
Total transactions with Owners in their capacity as Owners		-	-	-	-	(7)	(7)	7	-
As at 31 December 2024		570,726	(5,133)	(95,701)	(1,012)	887,758	1,356,638	(35)	1,356,603

PJ DEVELOPMENT HOLDINGS BERHAD
(Incorporated in Malaysia)

STATEMENTS OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2025 (CONT'D)

Company

	Note	Distributable		Total equity	
		Share capital	Treasury shares		Retained profits
		(Note 3.22)	(Note 3.23)		(Note 3.24)
		RM'000	RM'000	RM'000	RM'000
As at 1 January 2025		570,726	(5,133)	558,751	1,124,344
Profit after tax/Total comprehensive income		-	-	45,194	45,194
Dividends paid to Owners of the Company	1.5	-	-	(236,118)	(236,118)
As at 31 December 2025		570,726	(5,133)	367,827	933,420
As at 1 January 2024		570,726	(5,133)	432,242	997,835
Profit after tax/Total comprehensive income		-	-	126,509	126,509
As at 31 December 2024		570,726	(5,133)	558,751	1,124,344

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

PJ DEVELOPMENT HOLDINGS BERHAD
(Incorporated in Malaysia)

STATEMENTS OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2025

	Group		Company	
	2025	2024	2025	2024
	RM'000	RM'000	RM'000	RM'000
CASH FLOWS FROM OPERATING ACTIVITIES				
Operating profit	121,557	80,508	40,162	121,561
Non-cash and disclosure items #	36,871	43,914	2,953	26,625
Operating profit before changes in working capital	158,428	124,422	43,115	148,186
<i>(Increase)/Decrease in:</i>				
Inventories	(36,619)	(21,080)	-	-
Trade receivables	(5,275)	(64,261)	-	-
Other assets	2,682	(8,626)	(57)	3
Contract assets	24,071	109,835	-	-
Related companies	4,527	(24,168)	-	-
Immediate holding company	(954)	-	-	-
<i>Increase/(Decrease) in:</i>				
Trade payables	13,687	21,695	-	-
Other liabilities	20,843	15,939	560	157
Contract liabilities	(8,508)	(12,964)	-	-
<i>Changes in working capital</i>	14,454	16,370	503	160
Cash from operations	172,882	140,792	43,618	148,346
Income tax paid	(21,034)	(23,847)	(2,102)	(975)
Income tax refunded	7,269	62	-	-
Net cash from operating activities	159,117	117,007	41,516	147,371

PJ DEVELOPMENT HOLDINGS BERHAD
(Incorporated in Malaysia)

STATEMENTS OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2025 (CONT'D)

	Note	Group		Company	
		2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
CASH FLOWS FROM INVESTING ACTIVITIES					
<i>Investment, divestment and income from investment:</i>					
Funds distribution income received		7,776	3,859	3,560	1,147
Gain on redemption of short-term funds		3,205	-	2,689	-
Interest received		4,006	5,718	2,565	3,607
Investment properties expenditure	3.2(b)(i)	(127)	(1,243)	-	-
Proceeds from disposals of:					
- an associate	3.4(b)	-	- ^{^^}	-	-
- property, plant and equipment		7,257	1,144	1	29
- investment property		170	-	-	-
Purchase of:					
- property, plant and equipment	3.1(b)(i)	(76,212)	(151,459)	-	-
- right-of-use assets	3.6(b)(i)	(88)	-	-	-
- software licences	3.5(b)(ii)	(269)	(825)	-	-
<i>Net investment, divestment and income from investment</i>		(54,282)	(142,806)	8,815	4,783
<i>Dealing with subsidiaries and a joint venture:</i>					
Dividends received from a joint venture		250	11,000	-	-
Advance from/(Repayments to) subsidiaries		-	-	3,197	(3,111)
Subscription of shares in subsidiaries	3.3(d)	-	-	(4,000)	(2,746)
<i>Net dealings with subsidiaries and a joint venture</i>		250	11,000	(803)	(5,857)
Net cash (used in)/from investing activities		(54,032)	(131,806)	8,012	(1,074)

^{^^} negligible

PJ DEVELOPMENT HOLDINGS BERHAD
(Incorporated in Malaysia)

STATEMENTS OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2025 (CONT'D)

	Note	Group		Company	
		2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
CASH FLOWS FROM FINANCING ACTIVITIES					
<i>Fundings in business:</i>					
Advance from related companies	3.17(e)(ii)	14,809	55,698	-	-
Proceeds from drawdowns of:					
- term loans and bankers' acceptances		203,725	156,134	-	-
- revolving credits - net		-	22,000	-	-
Repayments of					
term loans and bankers' acceptances		(177,589)	(42,978)	-	-
<i>Net drawdowns</i>	3.17(e)(i)	26,136	135,156	-	-
Interest paid		(17,838)	(13,462)	(244)	(252)
Payment of lease liabilities	3.6(c)	(3,172)	(3,228)	-	-
Dividends paid to Owners of the Company/ <i>Net dealings with Owners of the Company</i>	1.5	(236,118)	-	(236,118)	-
Net cash (used in)/from financing activities		(216,183)	174,164	(236,362)	(252)
Net (decrease)/increase in cash and cash equivalents		(111,098)	159,365	(186,834)	146,045
(Loss)/Gain on fair valuation of short-term funds		(1,043)	3,577	(1,793)	1,853
Effects of exchange rate changes		(1,450)	(1,385)	(84)	(438)
Cash and cash equivalents at beginning of the year		491,077	329,520	242,690	95,230
Cash and cash equivalents at end of the year	3.16	377,486	491,077	53,979	242,690

PJ DEVELOPMENT HOLDINGS BERHAD
(Incorporated in Malaysia)

STATEMENTS OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2025 (CONT'D)

	Note	Group		Company	
		2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
# Non-cash and disclosure items:					
Allowance for impairment losses					
on investment properties	3.2(b)(i)	-	831	-	-
Depreciation and amortisation		40,026	31,663	132	158
Gain on disposal of:					
- property, plant and equipment - net		(4,426)	(25)	(1)	(29)
- an investment property	2.7	(77)	-	-	-
Loss/(Gain) on fair valuation of:					
- biological assets		200	(162)	-	-
- retention sums		207	(129)	-	-
Impairment (write back)/loss - net	2.6	(3,256)	4,606	(1,623)	-
Loss on foreign currency					
translations - net		1,294	1,123	4,425	26,496
Loss on disposal of an associate	3.4(b)	-	72	-	-
Loss on strike-off of subsidiaries	3.3(d)	-	-	20	-
Modifications of leases		(31)	(38)	-	-
Write down of inventories	2.2(b)	2,005	5,956	-	-
Write off of:					
- plant and equipment	3.1(b)(iv)	928	12	-	-
- trade receivables		1	-	-	-
- other receivables		-	5	-	-
		36,871	43,914	2,953	26,625

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

PJ DEVELOPMENT HOLDINGS BERHAD
(Incorporated in Malaysia)

NOTES TO THE FINANCIAL STATEMENTS - 31 DECEMBER 2025

SECTION 1: INFORMATION ON GROUP CORPORATE, BASIS OF PREPARATION, GROUP BUSINESS AND FINANCIAL MANAGEMENT

This section outlines the Group's corporate structure, explains the basis of preparation for these financial statements, analyses performance by business segment, and details its capital and financial risk management framework.

1.1 AUTHORISATION OF FINANCIAL STATEMENTS FOR USE AND GROUP CORPORATE INFORMATION

The consolidated financial statements of the Group and of the Company for the year ended 31 December 2025 were authorised for issue in accordance with a resolution of the Board of Directors on 6 March 2026.

(a) The Company

The Company is a public company limited by shares, incorporated under the CA2016, domiciled in Malaysia. The registered office of the Company is located at 21st Floor, Plaza OSK, Jalan Ampang, 50450 Kuala Lumpur. The principal place of business of the Company is located at 7th Floor, Plaza OSK, Jalan Ampang, 50450 Kuala Lumpur.

The Company is principally engaged in investment holding and provision of management services to the subsidiaries. There have been no significant changes in the nature of these principal activities during the year.

(b) Subsidiaries, associates and a joint venture

For business resource allocation and performance assessment, the Group's principal activities are strategically organised into three core business segments, which include Property, Industries, Hospitality and along with an Investment Holding Segment. Business segment information is disclosed in Note 1.3. The principal activities of the subsidiaries, and the associates and a joint venture, are described in Notes 3.3(f) and 3.4(e), respectively. There have been no significant changes in the nature of these principal activities during the year.

The Company's subsidiaries hold equity interests in two associates and a joint venture. The equity method of accounting has been adopted in the consolidated financial statements on investments in associates and a joint venture. The financial statements of these associates and a joint venture are prepared for the same reporting period as the Group. The accounting policies of all companies are aligned with the accounting policies adopted by the Group. Therefore, no adjustments are made when measuring and recognising the Group's share of profit or loss of the investees after the dates of acquisitions. Note 3.4 shows further information on investments in associates and a joint venture.

Further information on investments in the subsidiaries, associates and a joint venture is disclosed in Notes 3.3 and 3.4, respectively.

NOTES TO THE FINANCIAL STATEMENTS - 31 DECEMBER 2025 (CONT'D)

SECTION 1: INFORMATION ON GROUP CORPORATE, BASIS OF PREPARATION, GROUP BUSINESS AND FINANCIAL MANAGEMENT (CONT'D)

1.1 AUTHORISATION OF FINANCIAL STATEMENTS FOR USE AND GROUP CORPORATE INFORMATION (CONT'D)

(c) Immediate and ultimate holding companies

Yellow Rock (L) Foundation, a Labuan Foundation registered under the Labuan Foundations Act 2010, is regarded by the Directors as the Company's ultimate holding company under CA2016. OSK Holdings Berhad, a company incorporated in Malaysia and listed on the Main Market of Bursa Malaysia Securities Berhad, represents the immediate holding company of the Company.

1.2 BASIS OF PREPARATION OF FINANCIAL STATEMENTS

This note provides the overall basis of preparation that is useful and relevant in understanding these financial statements.

(a) Accounting convention and notes structure to these financial statements

These financial statements of the Group and of the Company have been prepared on a historical cost convention and other than biological assets and short-term funds, which are measured at their fair values.

The Group and the Company have prepared these financial statements on a going concern basis. In line with IFRS S2 'Climate-related Disclosures' requirements, the going concern assessment included a review of climate-related matters to identify any material uncertainties. This included an assessment of the likelihood of relevant climate risks and their potential effect on future cash flows. Based on this review and in accordance with applicable MFRSs, the Directors have determined that these risks do not create material uncertainty regarding the going concern assumption, nor do they have a material impact on the financial statements. The Group has adopted IFRS S2 'Climate-related Disclosures' during the financial year, and the relevant requirements on going concern are discussed in Note 6.3(a)(i).

The financial statements are presented in Ringgit Malaysia ("RM"), which is also the functional currency of the Company and all values are rounded to the nearest thousand (RM'000) unless otherwise indicated.

The notes to the financial statements have been categorised into six sections according to the nature of the transactions. This structure is designed to enhance the understandability and comparability of the financial statements' disclosures for users. The material accounting policies, significant judgements, key estimates and assumptions have also been placed together in the same note as the related qualitative and quantitative disclosures, to provide a more holistic discussion to users of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS - 31 DECEMBER 2025 (CONT'D)

SECTION 1: INFORMATION ON GROUP CORPORATE, BASIS OF PREPARATION, GROUP BUSINESS AND FINANCIAL MANAGEMENT (CONT'D)

1.2 BASIS OF PREPARATION OF FINANCIAL STATEMENTS (CONT'D)

(a) Accounting convention and notes structure to these financial statements (Cont'd)

The Group and the Company have early adopted MFRS 18 'Presentation and Disclosure in Financial Statements' in the financial year ended 31 December 2024 in accordance with MFRS 18. The revised structure of the statements of profit or loss, and the consequential changes to the statements of cash flows, are intended to reduce diversity in how the statements of profit or loss is reported. This enhances the ability of users to understand the information and make better comparisons between companies through the required categories - operating, investing, and financing (similar to those in the statements of cash flows) - as well as through the prescribed subtotals and line items.

Entity-specific information including entity-specific accounting policy information has been determined and provided that is generally more useful to users in understanding the related balances, transactions and conditions.

(b) Statement of compliance with financial reporting standards and Companies Act

These financial statements have been prepared in accordance with the applicable approved MFRS Accounting Standards, which were previously known as Malaysian Financial Reporting Standards ("MFRS") issued by Malaysian Accounting Standards Board ("MASB"), IFRS Accounting Standards issued by International Accounting Standards ("IASB") and the requirements of the Companies Act 2016 in Malaysia.

During the year, the Group and the Company have adopted amendments to MFRS as disclosed in Note 6.1. The standards, amendments to published standards and interpretations to existing MFRS, together with the sustainability disclosure standards issued by the International Sustainability Standards Board ("ISSB") that are applicable to the Group and the Company but not yet effective for the current financial year, are disclosed in Notes 6.2 and 6.3(b), respectively.

(c) Basis of consolidation

The consolidated financial statements incorporated the financial statements of the Company and its subsidiaries, together with the Group's share of the results and net assets of its associates and joint venture, which are equity-accounted for in these financial statements. The financial statements of the subsidiaries, associates, and joint venture are aligned with the Group's accounting policies and for the same reporting period. Further information on investments in subsidiaries is disclosed in Note 3.3.

NOTES TO THE FINANCIAL STATEMENTS - 31 DECEMBER 2025 (CONT'D)

SECTION 1: INFORMATION ON GROUP CORPORATE, BASIS OF PREPARATION, GROUP BUSINESS AND FINANCIAL MANAGEMENT (CONT'D)

1.2 BASIS OF PREPARATION OF FINANCIAL STATEMENTS (CONT'D)

(c) Basis of consolidation (Cont'd)

Control is established when the Group has power over an investee, exposure to variable returns, and the ability to affect returns. Majority voting rights usually indicate control, but other factors are also considered. Control reassessment occurs if circumstances change. The effective proportion of ownership interest in subsidiaries is shown in Note 3.3(f).

Assets, liabilities, income, and expenses of subsidiaries are included from the date control is obtained until it ceases. Profits, losses, and comprehensive income are attributed to equity holders (owners) and non-controlling interests. Intra-group transactions including intragroup outstanding balances and unrealised gains/losses are eliminated.

Changes in ownership interest without losing control are treated as equity transactions. If control is lost, related assets, liabilities, and equity components are derecognised, and any gain or loss is recognised in profit or loss. Retained investments at the date when control is lost are measured at fair value.

Non-controlling interests in subsidiaries are initially measured at fair value or their share of net assets and adjusted for subsequent changes in equity.

(d) Climate-related matters

It is required to consider climate-related matters in estimates and assumptions when making judgements, where appropriate. This assessment includes potential impacts on the Group due to both physical and transition risks. The Group believes its business model and products and services will still be viable after the transition to a low-carbon economy. The climate-related matters increase the uncertainty in estimates and assumptions underpinning several items in the financial statements. The climate-related risks might not currently have a material impact on measurement, but the Group is closely observing relevant changes and developments, such as new climate-related legislation.

The Group adopted IFRS S2 'Climate-related Disclosures' in the current financial year, and the relevant requirements for each potential item are discussed in Note 6.3(a).

NOTES TO THE FINANCIAL STATEMENTS - 31 DECEMBER 2025 (CONT'D)

SECTION 1: INFORMATION ON GROUP CORPORATE, BASIS OF PREPARATION, GROUP BUSINESS AND FINANCIAL MANAGEMENT (CONT'D)

1.3 SEGMENT INFORMATION

This note provides an analysis of performance, assets and liabilities by business and geographical segments. Further information on profit or loss items, and on assets and liabilities items, is disclosed in Sections 2 and 3, respectively.

For management purposes, the Group's business activities are categorised into three core reportable business segments based on the nature of the products and services and along with an Investment Holding Segment. The executive committee is the chief operating decision maker and monitors the operating results of its business units separately to make decisions on 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.

The three core business segments and an Investment Holding Segment together with respective business divisions are described as follows:

(1) Property Segment

(i) Property Development Division

- Development and construction of residential and commercial properties for sale, provision of project management services and sharing of results of associates involved in property development activities in Malaysia and Australia.

(ii) Property Investment and Management Division

- Management and letting of properties, contributing rental yield and property appreciation, and sharing the results of an associate and a joint venture dealing with the letting of office and retail space.
- Cultivation and sale of oil palm fresh fruit bunches and other agricultural produce.

(2) Industries Segment

(i) Olympic Cable Division

- Manufacturing and sale of power cables are divided into four major categories, namely (i) low-voltage power cables, (ii) medium-voltage power cables, (iii) fire-resistant power cables and (iv) fibre-optic cables.

NOTES TO THE FINANCIAL STATEMENTS - 31 DECEMBER 2025 (CONT'D)

SECTION 1: INFORMATION ON GROUP CORPORATE, BASIS OF PREPARATION, GROUP BUSINESS AND FINANCIAL MANAGEMENT (CONT'D)

1.3 SEGMENT INFORMATION (CONT'D)

The three core business segments and an Investment Holding Segment together with respective business divisions are described as follows: (Cont'd)

(2) Industries Segment (Cont'd)

(ii) Acotec Industrialised Building System ("IBS") Division

- Manufacturing and sale of IBS concrete wall panels.

(3) Hospitality Segment

(i) Hotels and Resorts Division

- Management and operation of hotels and resorts, including golf course operations, room rental, food and beverage revenue and fee income.

(ii) SGI Vacation Club Division

- Management of vacation via timeshare and sale of timeshare membership.

(4) Investment Holding Segment

- Investing activities and other non-core businesses, including investments that contribute dividend income and interest income.

Inter-segment transactions are eliminated upon consolidation.

Business segment revenue and results include items directly attributable to each segment as well as those that can be allocated on a reasonable basis. The inter-segment transactions have been entered into at arm's length with terms mutually agreed between the segments and such transactions have been eliminated to arrive at the Group's results. During the year, there was no single external customer that made up ten per cent or more of the Group's revenue.

NOTES TO THE FINANCIAL STATEMENTS - 31 DECEMBER 2025 (CONT'D)

SECTION 1: INFORMATION ON GROUP CORPORATE, BASIS OF PREPARATION, GROUP BUSINESS AND FINANCIAL MANAGEMENT (CONT'D)

1.3 SEGMENT INFORMATION (CONT'D)

(a) Business segment analysis

Business segment performance analysis

	Property RM'000	Industries RM'000	Hospitality RM'000	Investment Holding RM'000	Conso- lidated RM'000
2025					
Revenue					
Total revenue	433,789	662,578	112,491	48,453	1,257,311
Elimination of:					
Inter-segment revenue	-	(6,373)	(6)	(4,813)	(11,192)
Dividends from subsidiaries	-	-	-	(43,640)	(43,640)
Revenue from external parties	433,789	656,205	112,485	-	1,202,479
Results					
Segment profit	68,999	34,028	7,285	6,611	116,923
Share of results of associates and a joint venture	(10,216)	-	-	-	(10,216)
	58,783	34,028	7,285	6,611	106,707
Elimination of unrealised loss/(profit)	131	-	-	(32)	99
Profit before tax	58,914	34,028	7,285	6,579	106,806
Tax expense	(772)	(1,262)	(3,015)	(1,745)	(6,794)
Profit after tax	58,142	32,766	4,270	4,834	100,012
2024					
Revenue					
Total revenue	371,565	459,301	108,779	150,619	1,090,264
Elimination of:					
Inter-segment revenue	-	(14,807)	(3)	(2,379)	(17,189)
Dividends from subsidiaries	-	-	-	(148,240)	(148,240)
Revenue from external parties	371,565	444,494	108,776	-	924,835
Results					
Segment profit	27,870	41,145	5,158	5,673	79,846
Share of results of associates and a joint venture	9,428	-	-	-	9,428
	37,298	41,145	5,158	5,673	89,274
Elimination of unrealised profit	(46)	-	-	(32)	(78)
Profit before tax	37,252	41,145	5,158	5,641	89,196
Tax expense	(5,093)	(9,810)	(1,852)	(1,405)	(18,160)
Profit after tax	32,159	31,335	3,306	4,236	71,036

NOTES TO THE FINANCIAL STATEMENTS - 31 DECEMBER 2025 (CONT'D)**SECTION 1: INFORMATION ON GROUP CORPORATE, BASIS OF PREPARATION, GROUP BUSINESS AND FINANCIAL MANAGEMENT (CONT'D)****1.3 SEGMENT INFORMATION (CONT'D)****(a) Business segment analysis (Cont'd)****Business segment performance analysis (Cont'd)****Items included in the business segment performance analysis are:**

	Property RM'000	Industries RM'000	Hospitality RM'000	Investment Holding RM'000	Conso- lidated RM'000
2025					
<u>Revenue (Note 2.1)</u>					
Rental income	7,323	-	-	-	7,323
<u>Cost of Sales (Note 2.2)</u>					
Depreciation	(161)	(14,024)	-	-	(14,185)
Write down of inventories	-	(2,005)	-	-	(2,005)
<u>General and Administrative Expenses (Note 2.4)</u>					
Depreciation and amortisation	(6,013)	(1,910)	(17,787)	(131)	(25,841)
<u>Impairment write back/(loss) - Net (Note 2.6)</u>					
Write back of impairment losses on trade receivables	6	5,662	-	-	5,668
Allowance for impairment losses on:					
- trade receivables	(140)	(2,238)	-	-	(2,378)
- other receivables	(34)	-	-	-	(34)
<u>Other Operating Income (Note 2.7)</u>					
Fair valuation gain of:					
- biological assets	10	-	-	-	10
- retention sums	231	-	-	-	231
Foreign currency translations gain	-	337	-	-	337
Gain on disposals of property, plant and equipment	34	51	4,344	1	4,430

NOTES TO THE FINANCIAL STATEMENTS - 31 DECEMBER 2025 (CONT'D)

SECTION 1: INFORMATION ON GROUP CORPORATE, BASIS OF PREPARATION, GROUP BUSINESS AND FINANCIAL MANAGEMENT (CONT'D)

1.3 SEGMENT INFORMATION (CONT'D)

(a) Business segment analysis (Cont'd)

Business segment performance analysis (Cont'd)

Items included in the business segment performance analysis are: (Cont'd)

	Property RM'000	Industries RM'000	Hospitality RM'000	Investment Holding RM'000	Conso- lidated RM'000
2025 (Cont'd)					
<u>Other Operating Expenses</u> <u>(Note 2.8)</u>					
Fair valuation loss of					
- biological assets	(210)	-	-	-	(210)
- retention sums	(438)	-	-	-	(438)
Foreign currency translation loss	-	(1,545)	-	(86)	(1,631)
Loss on disposal of					
plant and equipment	-	(3)	(1)	-	(4)
Write off of:					
- trade receivables	(1)	-	-	-	(1)
- plant and equipment	(43)	(1)	(884)	-	(928)
<u>Income from Cash and</u> <u>Cash Equivalents (Note 2.10)</u>					
Funds distribution income	3,972	-	244	3,560	7,776
Gain on redemption of					
short-term funds	516	-	-	2,689	3,205
Interest income	2,173	880	127	826	4,006
<u>Fair Valuation Loss on</u> <u>Other Investment (Note 2.11)</u>					
Fair valuation loss of					
short-term funds	-	-	-	(1,793)	(1,793)
<u>Interest Expense on Borrowings</u> <u>(Note 2.12)</u>					
Finance costs	(5,178)	(8,516)	(4,395)	(188)	(18,277)

NOTES TO THE FINANCIAL STATEMENTS - 31 DECEMBER 2025 (CONT'D)**SECTION 1: INFORMATION ON GROUP CORPORATE, BASIS OF PREPARATION, GROUP BUSINESS AND FINANCIAL MANAGEMENT (CONT'D)****1.3 SEGMENT INFORMATION (CONT'D)****(a) Business segment analysis (Cont'd)****Business segment performance analysis (Cont'd)****Items included in the business segment performance analysis are: (Cont'd)**

	Property RM'000	Industries RM'000	Hospitality RM'000	Investment Holding RM'000	Conso- lidated RM'000
2024					
<u>Revenue (Note 2.1)</u>					
Rental income	3,823	-	-	-	3,823
<u>Cost of Sales (Note 2.2)</u>					
Depreciation	(177)	(6,383)	-	-	(6,560)
Write down of inventories	-	(5,956)	-	-	(5,956)
<u>General and Administrative Expenses (Note 2.4)</u>					
Depreciation and amortisation	(5,432)	(1,065)	(18,449)	(157)	(25,103)
<u>Impairment write back/(loss) - Net (Note 2.6)</u>					
Write back of impairment losses on trade receivables	2	569	5	-	576
Allowance for impairment losses on:					
- trade receivables	(14)	(4,863)	-	-	(4,877)
- other receivables	-	(305)	-	-	(305)
<u>Other Operating Income (Note 2.7)</u>					
Fair valuation gain of					
- biological assets	162	-	-	-	162
- retention sums	316	-	-	-	316
Gain on disposals of plant and equipment	128	122	-	29	279

NOTES TO THE FINANCIAL STATEMENTS - 31 DECEMBER 2025 (CONT'D)

SECTION 1: INFORMATION ON GROUP CORPORATE, BASIS OF PREPARATION, GROUP BUSINESS AND FINANCIAL MANAGEMENT (CONT'D)

1.3 SEGMENT INFORMATION (CONT'D)

(a) Business segment analysis (Cont'd)

Business segment performance analysis (Cont'd)

Items included in the business segment performance analysis are: (Cont'd)

	Property RM'000	Industries RM'000	Hospitality RM'000	Investment Holding RM'000	Conso- lidated RM'000
2024 (Cont'd)					
<u>Other Operating Expenses</u> (Note 2.8)					
Allowance for impairment losses on investment property	(831)	-	-	-	(831)
Fair valuation loss of: retention sums	(187)	-	-	-	(187)
Foreign currency translations loss	-	(687)	-	(436)	(1,123)
Loss on disposal of:					
- an associate	(72)	-	-	-	(72)
- plant and equipment	(1)	-	(253)	-	(254)
Write off of:					
- other receivables	(5)	-	-	-	(5)
- plant and equipment	(3)	(1)	(8)	-	(12)
<u>Income from Cash and Cash Equivalents (Note 2.10)</u>					
Funds distribution income	2,660	-	53	1,146	3,859
Interest income	3,006	790	122	1,800	5,718
<u>Interest Expense on Borrowings (Note 2.12)</u>					
Finance costs	(6,039)	(3,338)	(4,074)	(197)	(13,648)

NOTES TO THE FINANCIAL STATEMENTS - 31 DECEMBER 2025 (CONT'D)

SECTION 1: INFORMATION ON GROUP CORPORATE, BASIS OF PREPARATION, GROUP BUSINESS AND FINANCIAL MANAGEMENT (CONT'D)

1.3 SEGMENT INFORMATION (CONT'D)

(a) Business segment analysis (Cont'd)

Business segment assets and liabilities analysis:

	Note	Property RM'000	Industries RM'000	Hospitality RM'000	Investment Holding RM'000	Conso- lidated RM'000
2025						
Assets						
Tangible assets		564,338	561,979	361,912	54,859	1,543,088
Intangible assets	3.5	-	950	-	3,859	4,809
		564,338	562,929	361,912	58,718	1,547,897
Investments in associates and a joint venture	3.4	475,931	-	-	-	475,931
Segment assets		1,040,269	562,929	361,912	58,718	2,023,828
Deferred tax assets and tax recoverable		13,235	12,008	12,558	-	37,801
Total assets		1,053,504	574,937	374,470	58,718	2,061,629
Liabilities						
Segment liabilities		330,101	333,681	167,041	6,600	837,423
Deferred tax liabilities and tax payable		6,496	7,510	7	242	14,255
Total liabilities		336,597	341,191	167,048	6,842	851,678
Expenditure capitalised under:						
Property, plant and equipment	3.1(b)(i)	20,619	33,936	21,657	-	76,212
Investment properties	3.2(b)(i)	127	-	-	-	127
Intangible assets	3.5(b)(ii)	269	-	-	-	269
Right-of-use assets	3.6(b)(i)	88	-	-	-	88
		21,103	33,936	21,657	-	76,696

NOTES TO THE FINANCIAL STATEMENTS - 31 DECEMBER 2025 (CONT'D)

SECTION 1: INFORMATION ON GROUP CORPORATE, BASIS OF PREPARATION, GROUP BUSINESS AND FINANCIAL MANAGEMENT (CONT'D)

1.3 SEGMENT INFORMATION (CONT'D)

(a) Business segment analysis (Cont'd)

Business segment assets and liabilities analysis: (Cont'd)

	Note	Property RM'000	Industries RM'000	Hospitality RM'000	Investment Holding RM'000	Conso- lidated RM'000
2024						
Assets						
Tangible assets		547,955	473,596	346,629	243,659	1,611,839
Intangible assets	3.5	-	782	-	3,859	4,641
		<u>547,955</u>	<u>474,378</u>	<u>346,629</u>	<u>247,518</u>	<u>1,616,480</u>
Investments in associates and a joint venture	3.4	496,787	-	-	-	496,787
Segment assets		<u>1,044,742</u>	<u>474,378</u>	<u>346,629</u>	<u>247,518</u>	<u>2,113,267</u>
Deferred tax assets and tax recoverable		11,354	767	15,193	2	27,316
Total assets		<u>1,056,096</u>	<u>475,145</u>	<u>361,822</u>	<u>247,520</u>	<u>2,140,583</u>
Liabilities						
Segment liabilities		339,982	268,373	159,524	5,360	773,239
Deferred tax liabilities and tax payable		5,356	4,778	8	599	10,741
Total liabilities		<u>345,338</u>	<u>273,151</u>	<u>159,532</u>	<u>5,959</u>	<u>783,980</u>
Expenditure capitalised under:						
Property, plant and equipment	3.1(b)(i)	12,392	123,645	15,340	82	151,459
Investment properties	3.2(b)(i)	1,243	-	-	-	1,243
Intangible assets	3.5(b)(ii)	825	-	-	-	825
		<u>14,460</u>	<u>123,645</u>	<u>15,340</u>	<u>82</u>	<u>153,527</u>

NOTES TO THE FINANCIAL STATEMENTS - 31 DECEMBER 2025 (CONT'D)**SECTION 1: INFORMATION ON GROUP CORPORATE, BASIS OF PREPARATION, GROUP BUSINESS AND FINANCIAL MANAGEMENT (CONT'D)****1.3 SEGMENT INFORMATION (CONT'D)****(b) Geographical segments analysis:**

The Group's operations are mainly based in Malaysia, consisting of the three core reportable business segments and an Investment Holding Segment as described in Note (a) above. In Australia, business segments comprise Property Development and Property Investment.

	Note	Malaysia RM'000	Australia RM'000	Conso- lidated RM'000
2025				
Revenue		1,202,479	-	1,202,479
Profit/(Loss) before tax		116,793	(9,987)	106,806
Non-current assets [^]		759,518	-	759,518
Expenditure capitalised under:				
Property, plant and equipment	3.1(b)(i)	76,212	-	76,212
Investment properties	3.2(b)(i)	127	-	127
Intangible assets	3.5(b)(ii)	269	-	269
Right-of-use assets	3.6(b)(i)	88	-	88
		76,696	-	76,696
2024				
Revenue		924,835	-	924,835
Profit/(Loss) before tax		97,316	(8,120)	89,196
Non-current assets [^]		720,268	-	720,268
Expenditure capitalised under:				
Property, plant and equipment	3.1(b)(i)	151,459	-	151,459
Investment properties	3.2(b)(i)	1,243	-	1,243
Intangible assets	3.5(b)(ii)	825	-	825
		153,527	-	153,527

[^] Non-current assets exclude financial instruments, deferred tax assets and investments in associates and a joint venture.

NOTES TO THE FINANCIAL STATEMENTS - 31 DECEMBER 2025 (CONT'D)**SECTION 1: INFORMATION ON GROUP CORPORATE, BASIS OF PREPARATION, GROUP BUSINESS AND FINANCIAL MANAGEMENT (CONT'D)****1.4 CAPITAL MANAGEMENT**

This note sets out an overview of the Group's capital management policies, objectives and processes.

For capital management purposes, the Group defines capital as the issued share capital, net of the cost of any treasury shares held, together with reserves attributable to the Owners of the Company. This is collectively termed Shareholders' funds. Further details of share capital and reserves are disclosed in Notes 3.22 and 3.24, respectively. The primary objectives of the Group's capital management are to maintain an optimal capital base and healthy capital ratios to support future business development, ensuring the Group continues to provide returns and maximise Shareholders' value.

The Group manages its capital structure and makes adjustments in response to changes in economic conditions by meeting internal capital requirements, optimising returns to Shareholders, and maintaining adequate levels and an optimal mix of capital. To achieve these objectives, the Group may adjust dividend payments to Shareholders, return capital to Shareholders, or issue new shares. The Group is not subject to any externally imposed capital requirements. There were no changes in these policies, objectives and processes for managing capital from the preceding year.

The Group monitors capital by actively managing its gearing ratio, which is calculated as net debts divided by Shareholders' funds. The gearing ratio at the end of the year is as follows:

	Note	Group	
		2025 RM'000	2024 RM'000
Borrowings	3.17	305,554	279,418
Lease liabilities	3.6	3,624	5,352
Advances from related companies	3.11	149,096	134,287
Advances to related companies	3.11	(35,000)	(35,000)
Cash, bank balances and short-term funds	3.16	(377,486)	(491,077)
Net debts/(cash)		45,788	(107,020)
Issued capital and reserves attributable to Owners of the Company/Shareholders' funds		1,209,989	1,356,638
Gearing ratio (times)		0.04	-*

*The gearing ratio is not presented as the Group is in a net cash position.

The Group sourced its financing from the immediate holding company which has a treasury management company and allocates cash and financing to support business requirements. No changes were made in the objectives, policies or processes for managing capital as compared with the previous year.

NOTES TO THE FINANCIAL STATEMENTS - 31 DECEMBER 2025 (CONT'D)**SECTION 1: INFORMATION ON GROUP CORPORATE, BASIS OF PREPARATION, GROUP BUSINESS AND FINANCIAL MANAGEMENT (CONT'D)****1.5 DIVIDENDS**

This note provides information on dividends that have been paid by the Company during the year.

	Date of payment	Group and Company	
		Dividend declared and paid for the year ended 31 December	
		2025	2024
		RM'000	RM'000
Dividend for the year ended 31 December 2025			
45.0 sen single-tier interim dividend	11 September 2025	236,118	-

The Board of Directors does not recommend any final dividend for the year ended 31 December 2025.

Recognition and measurement

The Company recognises a liability to pay a dividend when the distribution is authorised, and the distribution is no longer at the discretion of the Company. Dividend distribution to the Owners of the Company is recognised directly in retained profits under equity in the period in which the dividend is declared and paid.

NOTES TO THE FINANCIAL STATEMENTS - 31 DECEMBER 2025 (CONT'D)**SECTION 1: INFORMATION ON GROUP CORPORATE, BASIS OF PREPARATION, GROUP BUSINESS AND FINANCIAL MANAGEMENT (CONT'D)****1.6 EARNINGS PER SHARE ("EPS")**

This note discloses the computation of EPS attributable to the Owners of the Company.

	Group	
	2025	2024
Basic		
Profit attributable to Owners of the Company (RM'000)	100,015	71,043
Weighted average number of ordinary shares outstanding ('000)	524,707	524,707
Basic/Diluted EPS (sen)	19.06	13.54

Measurement

The computation of basic EPS is based on the profit attributable to the Owners of the Company divided by the weighted average number of ordinary shares outstanding during the year. For diluted EPS, the weighted average number of ordinary shares outstanding is adjusted to assume the conversion of all dilutive potential ordinary shares.

The weighted average number of shares accounts for changes in treasury shares during the year. No other transactions involving ordinary shares or potential shares occurred between the reporting date and the authorisation date of these financial statements.

1.7 NET ASSETS PER SHARE

This note outlines the computation of net assets per share attributable to the Owners of the Company.

		Group	
	Note	2025	2024
Issued capital and reserves attributable to Owners of the Company (RM'000)		1,209,989	1,356,638
Number of outstanding ordinary shares in issue ('000)	3.23	524,707	524,707
Net Assets per share attributable to Owners of the Company (RM)		2.31	2.59

Measurement

Net Assets per share attributable to Owners of the Company is calculated by dividing the issued capital and reserves attributable to Owners (ordinary equity holders) of the Company by the number of outstanding ordinary shares in issue at the end of the year.

NOTES TO THE FINANCIAL STATEMENTS - 31 DECEMBER 2025 (CONT'D)**SECTION 1: INFORMATION ON GROUP CORPORATE, BASIS OF PREPARATION, GROUP BUSINESS AND FINANCIAL MANAGEMENT (CONT'D)****1.8 FINANCIAL INSTRUMENTS RISK MANAGEMENT**

This note outlines the objectives and policies governing the Group's and the Company's management of financial risks and liquidity positions, and provides information on the key types of financial risks associated with its financial instruments. These risks are categorised as follows:

- (i) Financial assets and financial liabilities at fair value through profit or loss ("FVTPL"); and
- (ii) Financial assets and financial liabilities at amortised costs ("AC").

Group

	Note	FVTPL RM'000	AC RM'000	Total RM'000
2025				
Financial assets				
Trade receivables	3.9	-	179,511	179,511
Amount due from immediate holding company	3.10	-	953	953
Amounts due from related companies	3.11	-	65,115	65,115
Other assets excluding prepayments	3.13	-	27,050	27,050
Cash, bank balances and short-term funds	3.16	227,289	150,197	377,486
		<u>227,289</u>	<u>422,826</u>	<u>650,115</u>
Financial liabilities				
Lease liabilities	3.6	-	3,624	3,624
Amounts due to related companies	3.11	-	156,175	156,175
Borrowings	3.17	-	305,554	305,554
Trade payables	3.18	-	98,162	98,162
Other liabilities	3.19	-	178,764	178,764
		<u>-</u>	<u>742,279</u>	<u>742,279</u>
2024				
Financial assets				
Trade receivables	3.9	-	170,714	170,714
Amounts due from related companies	3.11	-	71,575	71,575
Other assets excluding prepayments	3.13	-	31,134	31,134
Cash, bank balances and short-term funds	3.16	278,045	213,032	491,077
		<u>278,045</u>	<u>486,455</u>	<u>764,500</u>
Financial liabilities				
Lease liabilities	3.6	-	5,352	5,352
Amounts due to related companies	3.11	-	143,299	143,299
Borrowings	3.17	-	279,418	279,418
Trade payables	3.18	-	83,599	83,599
Other liabilities	3.19	-	165,275	165,275
		<u>-</u>	<u>676,943</u>	<u>676,943</u>

NOTES TO THE FINANCIAL STATEMENTS - 31 DECEMBER 2025 (CONT'D)**SECTION 1: INFORMATION ON GROUP CORPORATE, BASIS OF PREPARATION, GROUP BUSINESS AND FINANCIAL MANAGEMENT (CONT'D)****1.8 FINANCIAL INSTRUMENTS RISK MANAGEMENT (CONT'D)****Company**

	Note	FVTPL RM'000	AC RM'000	Total RM'000
2025				
Financial assets				
Amounts due from subsidiaries	3.12	-	10,994	10,994
Other assets excluding prepayments	3.13	-	99	99
Cash, bank balances and short-term funds	3.16	13,620	40,359	53,979
		<u>13,620</u>	<u>51,452</u>	<u>65,072</u>
Financial liabilities				
Borrowings	3.17	-	5,000	5,000
Other liabilities	3.19	-	2,367	2,367
		<u>-</u>	<u>7,367</u>	<u>7,367</u>
2024				
Financial assets				
Amounts due from subsidiaries	3.12	-	28,944	28,944
Other assets excluding prepayments	3.13	-	46	46
Cash, bank balances and short-term funds	3.16	110,239	132,451	242,690
		<u>110,239</u>	<u>161,441</u>	<u>271,680</u>
Financial liabilities				
Borrowings	3.17	-	5,000	5,000
Other liabilities	3.19	-	1,715	1,715
		<u>-</u>	<u>6,715</u>	<u>6,715</u>

NOTES TO THE FINANCIAL STATEMENTS - 31 DECEMBER 2025 (CONT'D)**SECTION 1: INFORMATION ON GROUP CORPORATE, BASIS OF PREPARATION, GROUP BUSINESS AND FINANCIAL MANAGEMENT (CONT'D)****1.8 FINANCIAL INSTRUMENTS RISK MANAGEMENT (CONT'D)**

The Group's key financial risks, together with their measurements and respective mitigation strategies, are summarised below:

Types of risks and exposures	Note	Measurement	Mitigation Strategies
(a) Liquidity risk			
Lease liabilities	3.6	Cash flow	Right mix of short, medium and long terms fundings
Amounts due to related companies	3.11	forecasts analysis	
Borrowings	3.17	Debts maturity	Availability of committed lines and credit facilities
Trade payables	3.18	analysis	
Other liabilities	3.19		Monitoring of short-term funds
(b) Market risk			
(i) Interest rate risk			
Lease liabilities	3.6	Funding cost	Diversification of bankers
Amounts due from/to related companies	3.11	analysis	Diversification of borrowings types
Deposits with licensed financial institutions	3.16	Sensitivity analysis	Centralisation of treasury management
Housing Development Accounts	3.16		
Borrowings	3.17		
(ii) Currency risk			
Trade receivables	3.9	Cash flow	Foreign currency forwards and cross-currency swap
Other assets excluding prepayments	3.13	forecasts	
Cash, bank balances and short-term funds	3.16	Sensitivity analysis	Foreign operations use local financing i.e. natural hedge
Borrowings	3.17		
Trade payables	3.18		
Other liabilities	3.19		
(iii) Other price risks			
Commodity price risks	1.8(b)(iii)	Quantity and	Procurement management, materials price monitoring and hedging
Oil palm fresh fruit bunches price risk	3.15	price analysis Sensitivity analysis	
(c) Credit risk			
Trade receivables	3.9	Credit ratings	Securing of adequate collaterals
Amount due from immediate holding company	3.10	Ageing analysis	
Amounts due from related companies	3.11	Creditworthiness	Diversification of deposits with bankers
Other assets excluding prepayments	3.13	Climate-related rating, if relevant	
Contract assets	3.14		Guidelines for short-term placements
Bank balances and short-term funds	3.16		
Financial guarantees provided to licensed financial institutions for credit facilities granted to a joint venture	1.8(c)		

NOTES TO THE FINANCIAL STATEMENTS - 31 DECEMBER 2025 (CONT'D)

SECTION 1: INFORMATION ON GROUP CORPORATE, BASIS OF PREPARATION, GROUP BUSINESS AND FINANCIAL MANAGEMENT (CONT'D)

1.8 FINANCIAL INSTRUMENTS RISK MANAGEMENT (CONT'D)

The Group's Enterprise Risk Management (ERM) framework establishes a structured approach to governance and the application of risk controls across all business operations and financial processes. The Treasury Management Centre collaborates closely with business units to identify, assess, and proactively manage financial risks, ensuring alignment with the Group's strategic objectives and risk appetite.

The Group's principal financial liabilities consist of borrowings, trade payables, and other payables primarily used to fund its operations. On the other hand, its key financial assets comprise trade receivables, cash, bank balances, and short-term funds, which are generated directly from its business operations.

There were no material changes in the exposures to risks and how they arise or its objectives, policies and processes for managing the risks, and the methods used to measure the risks from the previous year.

Objectives and policies

The Group has established financial risk management policies and guidelines to ensure the availability of financial resources for business development while effectively managing exposure to liquidity risk, market risk (including interest rate, currency, and other price risks), and credit risk. The Group centrally manages and allocates capital resources to ensure all business units maintain adequate capital levels and prudent liquidity at all times.

The Board embraces effective risk management as an integral part of business, operations and decision-making. The Board acknowledges that the activities of the Group may involve some degree of risks and it is important to note that any system can only provide a reasonable and not absolute assurance against any misstatement or loss.

The Board will continuously identify, assess, and manage key business, operational, and financial risks, while regularly reviewing and strengthening risk mitigation strategies. Key financial risks are elaborated below:

(a) Liquidity risk

Liquidity risk definition and strategy

Liquidity risk is the risk that the Group and the Company will encounter difficulties in maintaining and raising funds to meet its financial commitments and obligations when they fall due at a reasonable cost. The funding needs are primarily met by bank borrowings and internally generated funds.

NOTES TO THE FINANCIAL STATEMENTS - 31 DECEMBER 2025 (CONT'D)

SECTION 1: INFORMATION ON GROUP CORPORATE, BASIS OF PREPARATION, GROUP BUSINESS AND FINANCIAL MANAGEMENT (CONT'D)

1.8 FINANCIAL INSTRUMENTS RISK MANAGEMENT (CONT'D)

(a) Liquidity risk (Cont'd)

Liquidity risk definition and strategy (Cont'd)

The Group and the Company seek to achieve a balance between certainty of funding and flexibility through the use of a cost-effective borrowing structure, including short-term revolving and bankers' acceptances credits, term lines as disclosed in Note 3.17. All projected net borrowing needs are covered by adequate committed facilities. In addition, debt maturities are the right mix of short, medium and long terms and are closely monitored to ensure that the Group and the Company can meet its refinancing needs and obligations as and when they fall due. The Group and the Company ensure liquidity risk is low by assessing risk concentration for debt financing.

Cash flow forecasts, incorporating all major transactions, are prepared and monitored. Excess funds from operating cash cycles, which are temporary, are invested in short-term instruments with licensed financial institutions at the most favourable interest rates. Funding requirements of all business units shall be maintained at optimal liquidity levels for their operations. The cash flows outlined in the maturity analysis are not expected to occur significantly earlier or in materially different amounts.

Liquidity risk exposures

In respect of the borrowings that are supported by corporate guarantees provided by the Company as disclosed in Note (c), there was no indication as at 31 December 2025 that any subsidiary or joint venture would default. In the event of a default by the subsidiaries or joint venture, the financial guarantees could be called on demand.

The table below analyses the financial liabilities into relevant maturity grouping based on the remaining period at the end of the year to the contractual maturity dates. The amounts disclosed in the table are the contractual undiscounted cash flows, and the balances shown below will not agree to the balances as reported in the statements of financial position as the table incorporates all contractual cash flows on an undiscounted basis, including both principal and interest payments.

NOTES TO THE FINANCIAL STATEMENTS - 31 DECEMBER 2025 (CONT'D)

SECTION 1: INFORMATION ON GROUP CORPORATE, BASIS OF PREPARATION, GROUP BUSINESS AND FINANCIAL MANAGEMENT (CONT'D)

1.8 FINANCIAL INSTRUMENTS RISK MANAGEMENT (CONT'D)

(a) Liquidity risk (Cont'd)

Liquidity risk exposures (Cont'd)

Group	On demand				Total contractual undiscounted cash flows RM'000
	or within 1 year RM'000	>1 to 2 years RM'000	>2 to 5 years RM'000	Over 5 years RM'000	
2025					
Borrowings	215,460	19,097	69,437	17,399	321,393
Trade payables	83,058	9,042	6,835	-	98,935
Lease liabilities	2,760	847	136	-	3,743
Amounts due to related companies	156,175	-	-	-	156,175
Other liabilities	177,600	1,134	226	-	178,960
	635,053	30,120	76,634	17,399	759,206
2024					
Borrowings	177,577	22,381	65,283	33,487	298,728
Trade payables	67,874	8,031	7,696	-	83,601
Lease liabilities	2,933	2,253	385	14	5,585
Amounts due to related companies	143,299	-	-	-	143,299
Other liabilities	164,228	176	1,024	-	165,428
	555,911	32,841	74,388	33,501	696,641
Company					
				On demand or within 1 year RM'000	Total contractual undiscounted cash flows RM'000
2025					
Borrowings				5,021	5,021
Other liabilities				2,367	2,367
				7,388	7,388
2024					
Borrowings				5,021	5,021
Other liabilities				1,715	1,715
				6,736	6,736

NOTES TO THE FINANCIAL STATEMENTS - 31 DECEMBER 2025 (CONT'D)

SECTION 1: INFORMATION ON GROUP CORPORATE, BASIS OF PREPARATION, GROUP BUSINESS AND FINANCIAL MANAGEMENT (CONT'D)

1.8 FINANCIAL INSTRUMENTS RISK MANAGEMENT (CONT'D)

(b) Market risk

Market risk arises from fluctuations in the fair value or future cash flows of financial instruments due to changes in market prices. The Group is exposed to interest rate, currency, and other price risks, while the Company faces only interest rate risk and currency risk. Management continuously monitors risks from adverse market movements, which can be influenced by unpredictable global and domestic economic conditions. Affected financial instruments include loans, borrowings, and deposits.

(i) Interest rate risk

Interest rate risk definition and strategy

Interest rate risk arises from fluctuations in the fair value or yield of financial instruments due to changes in market interest rates. Floating-rate borrowings are managed based on financial institutions' cost of funds or base rates, minimising the impact of rising rates while allowing benefits from rate reductions. These borrowings are actively monitored and renegotiated to secure the lowest possible financing costs.

The Group and the Company manage their interest rate risk by having a balanced portfolio of fixed and variable-rate loans and borrowings. Such borrowings at variable rates were mainly denominated in RM. The borrowings carried at amortised cost are periodically and contractually repriced and to that extent are also exposed to the risk of future changes in market interest rates.

Interest rate risk exposures

The financial instruments that are exposed to interest rate risk comprise lease liabilities, amounts due from/to related companies, amounts due from subsidiaries, bank balances and short-term funds and borrowings as disclosed in Notes 3.6, 3.11, 3.12, 3.16 and 3.17, respectively.

NOTES TO THE FINANCIAL STATEMENTS - 31 DECEMBER 2025 (CONT'D)**SECTION 1: INFORMATION ON GROUP CORPORATE, BASIS OF PREPARATION, GROUP BUSINESS AND FINANCIAL MANAGEMENT (CONT'D)****1.8 FINANCIAL INSTRUMENTS RISK MANAGEMENT (CONT'D)****(b) Market risk (Cont'd)****(i) Interest rate risk (Cont'd)**Sensitivity analysis for interest rate risk

The following table demonstrates the sensitivity analysis of the Group's and of the Company's profit after tax/equity if interest rates had been an average of 25 (2024: 25) basis points higher/lower for the Group and the Company, with all other variables remained constant, arising mainly as a result of higher/lower net interest expense from borrowings.

	Group		Company	
	2025	2024	2025	2024
	RM'000	RM'000	RM'000	RM'000
Profit after tax/Equity				
Interest rates				
- increased by 0.25%	(87)	203	114	510
- decreased by 0.25%	87	(203)	(114)	(510)

(ii) Currency riskCurrency risk definition and strategy

Currency risk arises from fluctuations in the fair value or future cash flows of financial instruments due to changes in foreign exchange rates. The Group is primarily exposed to this risk through its operating activities (revenue or expenses in foreign currencies) and net investments in foreign subsidiaries.

The Group predominantly operates in Malaysia. The Group also carries out its business in Australia through its associates. Certain subsidiaries in the Group transact in currencies other than their respective functional currencies ("foreign currencies").

Currency risk arises when transactions are denominated in foreign currencies which is minimal for the financial assets and liabilities of the Group.

NOTES TO THE FINANCIAL STATEMENTS - 31 DECEMBER 2025 (CONT'D)**SECTION 1: INFORMATION ON GROUP CORPORATE, BASIS OF PREPARATION, GROUP BUSINESS AND FINANCIAL MANAGEMENT (CONT'D)****1.8 FINANCIAL INSTRUMENTS RISK MANAGEMENT (CONT'D)****(b) Market risk (Cont'd)****(ii) Currency risk (Cont'd)**Currency risk exposures

The following tables summarised the currency exposure of financial assets and financial liabilities of the Group as at the year end, which are mainly in Ringgit Malaysia ("RM"), Australian Dollar ("AUD"), Singapore Dollar ("SGD") and United States Dollar ("USD"). Exposure to other currencies mainly included Chinese Yuan Renminbi and Euro.

Group

	Note	Denominated in					Total RM'000
		RM RM'000	AUD RM'000	SGD RM'000	USD RM'000	Others RM'000	
2025							
Financial assets							
Trade							
receivables	3.9	174,668	-	4,843	-	-	179,511
Other assets							
excluding							
prepayments	3.13	22,942	3	-	3,198	907	27,050
Cash, bank							
balances and							
short-term							
funds	3.16	332,717	6,840	37,929	-	-	377,486
		<u>530,327</u>	<u>6,843</u>	<u>42,772</u>	<u>3,198</u>	<u>907</u>	<u>584,047</u>
Financial liabilities							
Lease							
liabilities	3.6	3,624	-	-	-	-	3,624
Borrowings	3.17	305,554	-	-	-	-	305,554
Trade							
payables	3.18	93,253	-	-	4,042	867	98,162
Other							
liabilities	3.19	178,759	5	-	-	-	178,764
		<u>581,190</u>	<u>5</u>	<u>-</u>	<u>4,042</u>	<u>867</u>	<u>586,104</u>

NOTES TO THE FINANCIAL STATEMENTS - 31 DECEMBER 2025 (CONT'D)**SECTION 1: INFORMATION ON GROUP CORPORATE, BASIS OF PREPARATION, GROUP BUSINESS AND FINANCIAL MANAGEMENT (CONT'D)****1.8 FINANCIAL INSTRUMENTS RISK MANAGEMENT (CONT'D)****(b) Market risk (Cont'd)****(ii) Currency risk (Cont'd)**Currency risk exposures (Cont'd)

The following tables summarised the currency exposure of financial assets and financial liabilities of the Group as at the year end, which are mainly in Ringgit Malaysia ("RM"), Australian Dollar ("AUD"), Singapore Dollar ("SGD") and United States Dollar ("USD"). Exposure to other currencies mainly included Chinese Yuan Renminbi and Euro. (Cont'd)

Group (Cont'd)

	Note	Denominated in					Total RM'000
		RM RM'000	AUD RM'000	SGD RM'000	USD RM'000	Others RM'000	
2024							
Financial assets							
Trade							
receivables	3.9	157,621	-	4,755	4,405	3,933	170,714
Other assets							
excluding							
prepayments	3.13	14,538	19	-	16,577	-	31,134
Cash, bank							
balances and							
short-term							
funds	3.16	459,810	2,779	28,457	31	-	491,077
		<u>631,969</u>	<u>2,798</u>	<u>33,212</u>	<u>21,013</u>	<u>3,933</u>	<u>692,925</u>
Financial liabilities							
Lease							
liabilities	3.6	5,352	-	-	-	-	5,352
Borrowings	3.17	279,418	-	-	-	-	279,418
Trade							
payables	3.18	73,846	-	-	6,160	3,593	83,599
Other							
liabilities	3.19	165,270	5	-	-	-	165,275
		<u>523,886</u>	<u>5</u>	<u>-</u>	<u>6,160</u>	<u>3,593</u>	<u>533,644</u>

NOTES TO THE FINANCIAL STATEMENTS - 31 DECEMBER 2025 (CONT'D)**SECTION 1: INFORMATION ON GROUP CORPORATE, BASIS OF PREPARATION, GROUP BUSINESS AND FINANCIAL MANAGEMENT (CONT'D)****1.8 FINANCIAL INSTRUMENTS RISK MANAGEMENT (CONT'D)****(b) Market risk (Cont'd)****(ii) Currency risk (Cont'd)**Currency risk exposures (Cont'd)

The following tables summarised the currency exposure of financial assets and financial liabilities of the Group as at the year end, which are mainly in Ringgit Malaysia ("RM"), Australian Dollar ("AUD"), Singapore Dollar ("SGD") and United States Dollar ("USD"). Exposure to other currencies mainly included Chinese Yuan Renminbi and Euro. (Cont'd)

Company

Financial assets	Note	Denominated in		Total RM'000
		RM RM'000	AUD RM'000	
2025				
Cash, bank balances and short-term funds	3.16	49,863	4,116	53,979
2024				
Cash, bank balances and short-term funds	3.16	238,919	3,771	242,690

The Group holds cash and bank balances denominated in foreign currencies for working capital purposes.

The Group is exposed to currency translation risk on the net assets in foreign operations. Currency exposure to the net assets of the Group's foreign operations is managed through borrowings denominated in the relevant foreign currencies. During the year, there is no other significant foreign exchange risk arising from foreign currency transactions that affect the overall activities of the Group.

The Company's financial assets and financial liabilities except for cash, bank balances and short-term funds are denominated in RM. Accordingly, the Company is not exposed to foreign currency exchange risk in respect of its other financial instruments.

NOTES TO THE FINANCIAL STATEMENTS - 31 DECEMBER 2025 (CONT'D)**SECTION 1: INFORMATION ON GROUP CORPORATE, BASIS OF PREPARATION, GROUP BUSINESS AND FINANCIAL MANAGEMENT (CONT'D)****1.8 FINANCIAL INSTRUMENTS RISK MANAGEMENT (CONT'D)****(b) Market risk (Cont'd)****(ii) Currency risk (Cont'd)**Sensitivity analysis for currency risk

The following table demonstrates the sensitivity analysis of the Group's and the Company's profit after tax/equity to a reasonably possible change in AUD, SGD and USD exchange rates against the functional currency of the Group and the Company entities, with all other variables held constant. The sensitivity analysis includes only significant outstanding balances denominated in foreign currencies. The Group's exposure to foreign currency changes for all other currencies is not material.

	<u>Group</u>		<u>Company</u>	
	<u>2025</u>	<u>2024</u>	<u>2025</u>	<u>2024</u>
	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>
Profit after tax/Equity				
AUD/RM				
- strengthen by 3%	156	64	94	86
- weaken by 3%	(156)	(64)	(94)	(86)
SGD/RM				
- strengthen by 3%	975	757	-	-
- weaken by 3%	(975)	(757)	-	-
USD/RM				
- strengthen by 3%	(20)	339	-	-
- weaken by 3%	20	(339)	-	-

(iii) Other price risksCommodity price risks

Olympic Cable Company Sdn. Bhd. ("OCC"), a wholly-owned subsidiary of the Company, is affected by the price volatility of certain commodities. Its operating activities require the purchase and manufacture of cables and therefore require a continuous supply of copper, aluminium and compound materials. OCC is exposed to changes in the price of these materials on its forecast purchases.

NOTES TO THE FINANCIAL STATEMENTS - 31 DECEMBER 2025 (CONT'D)**SECTION 1: INFORMATION ON GROUP CORPORATE, BASIS OF PREPARATION, GROUP BUSINESS AND FINANCIAL MANAGEMENT (CONT'D)****1.8 FINANCIAL INSTRUMENTS RISK MANAGEMENT (CONT'D)****(b) Market risk (Cont'd)****(iii) Other price risks (Cont'd)**Commodity price risks (Cont'd)

OCC has enacted a risk management strategy for commodity price risk and its mitigation. Based on 12 months forecast of the required copper and aluminium supply, OCC consider hedges the purchase price using forward commodity purchase contracts when appropriate. The forward contracts are designated as cash flow hedges to offset the effect of price changes in copper. OCC hedges its expected copper purchases when such purchases are considered highly probable. In managing this, OCC also observes the movement of the copper and aluminium prices and negotiates with its suppliers for the final settlement price. Hedging activities are evaluated regularly to align with the Group's expectations about the price changes and defined risk appetite; and ensuring the most cost-effective hedging strategies are applied. As at 31 December 2025, OCC did not enter into any forward commodity purchase contract.

Commodity price sensitivity

The following table shows the effect of price changes in copper and aluminium:

	Group	
	2025	2024
	RM'000	RM'000
Profit after tax/Equity		
Copper		
- increase by 10%	(17,439)	(15,458)
- decrease by 10%	17,439	15,458
Aluminium		
- increase by 10%	(9,435)	(4,855)
- decrease by 10%	9,435	4,855

The Group has exposure to oil palm fresh fruit bunches classified under biological assets, as disclosed in Note 3.15.

If the oil palm fresh fruit bunches selling price changed by 10%, profit after tax/equity for the Group would have equally increased or decreased by approximately RM34,000 (2024: RM50,000), respectively.

NOTES TO THE FINANCIAL STATEMENTS - 31 DECEMBER 2025 (CONT'D)

SECTION 1: INFORMATION ON GROUP CORPORATE, BASIS OF PREPARATION, GROUP BUSINESS AND FINANCIAL MANAGEMENT (CONT'D)

1.8 FINANCIAL INSTRUMENTS RISK MANAGEMENT (CONT'D)

(c) Credit risk

Credit risk definition, strategy and exposures

Credit risk is the potential financial loss arising from a counterparty's failure to meet its contractual obligations. It includes settlement/clearing risk, concentration risk, credit assessment risk, recovery risk, and credit-related liquidity risk.

The Group is exposed to credit risk from its operating activities, principally arising from trade receivables, amount due from immediate holding company, amounts due from related companies, other assets, contract assets, bank balances and short-term funds as disclosed in Notes 3.9, 3.10, 3.11, 3.13, 3.14 and 3.16, respectively. The Company's exposure to credit risk arises principally from bank balances, short-term funds, amounts due from subsidiaries and financial guarantees provided to licensed financial institutions for credit facilities granted to the Group, as disclosed in the table below. Their carrying amounts represent the maximum credit risk exposure of the abovementioned assets without taking account of any collateral held or other credit enhancement.

The Group's business activities are guided by internal credit policies and guidelines that are approved by the Board, which have been established to ensure that the overall objectives, particularly in the area of lending and manufacturing are achieved.

The Group conservatively manages its credit risk by controlling the granting of credits, revisions in limits and other monitoring procedures.

The Group is monitoring the economic environment including climate-related matters as discussed in Note 6.3(a), and reviewing its expected credit loss model by reassessing the criteria for significant increases in credit risk. Balances in the statements of financial position are net of credit risk exposure, following impairment assessments.

Trade receivables, contract assets and other assets

Customer credit risk is managed by each business unit subject to the Group's established policy, procedures and controls relating to customer credit risk management. Credit quality of customers is assessed using an extensive rating scorecard, and individual credit limits are set based on this evaluation.

NOTES TO THE FINANCIAL STATEMENTS - 31 DECEMBER 2025 (CONT'D)

SECTION 1: INFORMATION ON GROUP CORPORATE, BASIS OF PREPARATION, GROUP BUSINESS AND FINANCIAL MANAGEMENT (CONT'D)

1.8 FINANCIAL INSTRUMENTS RISK MANAGEMENT (CONT'D)

(c) Credit risk (Cont'd)

Bank balances, short-term funds, amounts due from immediate holding company, related companies and subsidiaries

Credit risk from balances with banks and financial institutions is managed by the Group's treasury management centre in line with the Group's policy. Surplus funds are invested only with approved counterparties within set credit limits. These limits, reviewed annually by the Board and updated as needed, aim to minimise risk concentration and mitigate potential losses from counterparty defaults. Amounts due from immediate holding company, related companies and subsidiaries are reviewed regularly to ensure the repayment plan is adhered to.

Impairment assessment

The Group and the Company adopt, where applicable, the 'simplified approach' and 'general approach' impairment assessment pursuant to MFRS 9 'Financial Instruments' for impairment assessment and the related assessments are trade receivables, amount due from immediate holding company, amounts due from related companies and subsidiaries, other assets, contract assets, bank balances and short-term funds disclosed in Notes 3.9, 3.10, 3.11, 3.12, 3.13, 3.14 and 3.16, respectively.

An allowance for impairment losses is recognised, and interest income is accounted for in line with applicable accounting policies or when necessary, based on estimates of expected losses arising from the non-recovery of debts. Impairment is assessed individually and recognised only when recovery efforts are exhausted and debts are deemed irrecoverable in the foreseeable future.

Amounts due from immediate holding company, related companies and subsidiaries, are assessed individually. A significant increase in credit risk is considered to have occurred when there is a substantial deterioration in their financial position. Credit impairment is recognised when there is objective evidence that the counterparty is unable to meet its contractual debt obligations as they fall due and after exhausting efforts to secure new financing. Management exercises significant judgement in assessing default probability, using forward-looking information and evaluating credit risk increases.

The maximum credit risk exposure of the Group and of the Company arising from the amounts due from immediate holding company, related companies and subsidiaries are represented by their carrying amounts in the statements of financial position as disclosed in Notes 3.10, 3.11 and 3.12, respectively. The bank balances are placed with creditworthy licensed financial institutions. Therefore, both bank balances and short-term funds have low credit risk.

NOTES TO THE FINANCIAL STATEMENTS - 31 DECEMBER 2025 (CONT'D)**SECTION 1: INFORMATION ON GROUP CORPORATE, BASIS OF PREPARATION, GROUP BUSINESS AND FINANCIAL MANAGEMENT (CONT'D)****1.8 FINANCIAL INSTRUMENTS RISK MANAGEMENT (CONT'D)****(c) Credit risk (Cont'd)**Financial guarantee contracts

The Group and the Company have provided unsecured corporate guarantees to lenders for financing facilities, extended to certain subsidiaries and a joint venture.

The maximum exposure to credit risk relating to these corporate guarantee contracts, which serve as credit enhancements, is represented by the nominal amount of the outstanding banking facilities at the end of the reporting period. The details are as follows:

	Group		Company	
	2025	2024	2025	2024
	RM'000	RM'000	RM'000	RM'000
Corporate guarantees provided to licensed financial institutions for credit facilities granted to:				
- subsidiaries	-	-	330,429	285,640
- a joint venture	10,551	12,302	10,551	12,302
	10,551	12,302	340,980	297,942

A financial guarantee contract is an agreement where the issuer commits to make specified payments to reimburse the holder for a loss incurred due to a specified debtor's failure to make payment when due.

Initial recognition and measurement

Financial guarantee contracts are initially recognised at fair value. For guarantees issued on a commercial basis, fair value typically equals the premium received. For guarantees where no premium is charged (including those provided to subsidiaries and a joint venture), fair value is determined using a valuation methodology that quantifies the economic benefit of the guarantee to the holder. Upon initial recognition, the fair value of these guarantees was determined to be immaterial.

NOTES TO THE FINANCIAL STATEMENTS - 31 DECEMBER 2025 (CONT'D)

SECTION 1: INFORMATION ON GROUP CORPORATE, BASIS OF PREPARATION, GROUP BUSINESS AND FINANCIAL MANAGEMENT (CONT'D)

1.8 FINANCIAL INSTRUMENTS RISK MANAGEMENT (CONT'D)

(c) Credit risk (Cont'd)

Financial guarantee contracts (Cont'd)

Subsequent measurement

Subsequent to initial recognition, financial guarantee contracts are measured at the higher of:

- (a) the amount of the expected credit loss allowance determined in accordance with MFRS 9; and
- (b) the amount initially recognised, less any accumulated amortisation.

Expected credit loss assessment

The Group applies the 12-month expected credit loss approach to all financial guarantee contracts unless there has been a significant increase in credit risk since initial recognition. The Group assesses significant increase in credit risk when the financial position of any subsidiary or joint venture deteriorates significantly. A financial guarantee is considered credit-impaired (Stage 3) when:

- (a) The guaranteed party is unlikely to repay its credit obligation to the bank in full in the foreseeable future; or
- (b) the guaranteed party is continuously loss-making and has a deficit in shareholders' funds.

As at the end of the reporting period, there was no default of any borrowed sum, and the likelihood of the lenders invoking the guarantees was assessed as remote. Accordingly, the expected credit loss allowance for these guarantees was determined to be immaterial to the financial statements.

NOTES TO THE FINANCIAL STATEMENTS - 31 DECEMBER 2025 (CONT'D)**SECTION 2: INFORMATION ON STATEMENTS OF PROFIT OR LOSS**

This section provides additional information about individual line items in the statements of profit or loss, including their relevant material accounting policies and significant judgements. Further information relating to business and geographical analyses is disclosed in Note 1.3(a) and (b) respectively.

2.1 REVENUE

This note provides information on the Group's revenue streams. The Group's revenue is generated from the three core reportable business segments and along with an Investment Holding Segment as disclosed in Note 1.3(a). The Group's business mainly involves developing and selling properties, leasing commercial space, manufacturing and selling cables and IBS wall panels, letting hotel rooms and managing hotels, and holding investments. The Company's revenue comprises dividend income from its subsidiaries, and these dividends are eliminated at the Group level.

	Note	Group		Company	
		2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
Sales of goods and services					
Revenue from contracts with customers:					
Progress revenue from:					
- Property development	3.14(b)(i)	59,993	52,461	-	-
- Construction contracts	3.14(b)(ii)	334,787	286,675	-	-
		394,780	339,136	-	-
Service fee income		130,642	123,836	4,997	4,664
Sale of goods and completed properties		669,734	458,040	-	-
		<u>1,195,156</u>	<u>921,012</u>	<u>4,997</u>	<u>4,664</u>
Other revenue:					
Dividend income from subsidiaries		-	-	43,640	148,240
Rental income		7,323	3,823	-	-
		<u>7,323</u>	<u>3,823</u>	<u>43,640</u>	<u>148,240</u>
Operating revenue		<u>1,202,479</u>	<u>924,835</u>	<u>48,637</u>	<u>152,904</u>
Revenue from contracts with customers is analysed by timing of revenue recognition, where product and services transferred:					
Over time		402,761	348,642	-	-
At a point in time		792,395	572,370	4,997	4,664
		<u>1,195,156</u>	<u>921,012</u>	<u>4,997</u>	<u>4,664</u>

NOTES TO THE FINANCIAL STATEMENTS - 31 DECEMBER 2025 (CONT'D)

SECTION 2: INFORMATION ON STATEMENTS OF PROFIT OR LOSS (CONT'D)

2.1 REVENUE (CONT'D)

Recognition, measurement and significant judgements

(a) Revenue recognition in relation to performance obligation

Revenue is recognised when the Group fulfils performance obligations by transferring control of goods or services to the customer. Control is transferred over time or at a point in time, based on contract terms.

Revenue is recognised when the customer gains control. Any compensation payable to customers reduces revenue. At contract inception, the Group determines if control is transferred over time or at a point in time. Control is transferred over time, and revenue is recognised if:

- The customer receives and consumes the benefits simultaneously as the Group performs.
- The Group's performance creates or enhances a customer-controlled asset.
- The Group's performance does not create an asset with alternative use, and the Group has enforceable rights to payment for performance to date.

(i) Progress revenue from property development and construction contracts

Progress revenue from property development and construction contracts is recognised upon the occurrence of control transfer of the asset to a purchaser/customer. Based on the terms of the contract and the laws that apply to the contracts in Malaysia, control of the asset is transferred over time to the purchasers/customers. In determining the timing of satisfaction of performance obligation for revenue recognition:

- (1) the property development subsidiaries recognise revenue over the contract period using the input method based on a percentage of completion as disclosed in Note 3.7(a)(ii). The percentage of completion is computed by reference to the property development cost incurred to date as a percentage of the estimated total costs of development of the contract.
- (2) the construction subsidiary recognises revenue over the contract period using the output method based on the survey of contract work completed to date, certified by professional consultants. During the year, the Construction Division is focusing on internal projects; thus, the intragroup construction revenue has been eliminated.

NOTES TO THE FINANCIAL STATEMENTS - 31 DECEMBER 2025 (CONT'D)

SECTION 2: INFORMATION ON STATEMENTS OF PROFIT OR LOSS (CONT'D)

2.1 REVENUE (CONT'D)

Recognition, measurement and significant judgements (Cont'd)

(a) Revenue recognition in relation to performance obligation (Cont'd)

(i) Progress revenue from property development and construction contracts (Cont'd)

- (3) the promised properties are specifically identified in the sale and purchase agreements with their layout plan. The purchaser could enforce its rights to the properties if the property development subsidiaries do not seek to sell such properties to the purchaser. The contractual restriction on the property development subsidiaries' ability to direct the properties for another use is substantive and the properties sold to the purchaser do not have an alternative use. The property development subsidiaries have the legally enforceable rights to payment for performance completed to date. The property development subsidiaries are obligated to complete the construction, transfer to the purchaser the developed properties and enforce their rights to full payment from the purchaser.

Contracts with customers may include multiple promises, which are accounted for as separate performance obligations. The transaction price, adjusted for variable consideration and time value of money if applicable, is allocated to each obligation based on stand-alone selling prices. Stand-alone selling prices are estimated using an expected cost-plus margin when observable data is unavailable.

(ii) Service fee income

Hotel room rental, food and beverages revenue and golf course revenue

Room rental revenue is recognised daily based on the customer-occupied rooms. Revenue from the sale of food and beverages is recognised when a customer receives the food and beverage. Such revenue is recorded based on the published rates, net of discounts.

Green fees and buggy rentals are recognised when services are rendered and customers receive and consume the benefits. The Group has a present right to payment for the goods and services sold and rendered, respectively.

Property management fee income

Property management fee income is recognised when the Group renders services to a customer and the customer can receive and consume such services. The Group has a present right to the payment of the services rendered.

NOTES TO THE FINANCIAL STATEMENTS - 31 DECEMBER 2025 (CONT'D)

SECTION 2: INFORMATION ON STATEMENTS OF PROFIT OR LOSS (CONT'D)

2.1 REVENUE (CONT'D)

Recognition, measurement and significant judgements (Cont'd)

(a) Revenue recognition in relation to performance obligation (Cont'd)

(ii) Service fee income (Cont'd)

Management and operation of timeshare membership fee income

Membership and maintenance fee income are recognised over the membership periods based on fees chargeable to members in accordance with the contract terms.

Management fees

Management fees are recognised when the Company renders services.

(iii) Sale of goods

Revenue from the sale of goods is recognised when the Group satisfies a performance obligation by transferring a promised good (i.e. an asset) to a customer. An asset is transferred as and when a customer obtains control of that asset, which coincides with the delivery of goods and acceptance by the customer.

(iv) Sale of completed properties

Proceeds from the sale of completed properties are recognised when the Group satisfies a performance obligation by transferring a promised asset to a purchaser. An asset is transferred when the purchaser obtains control of that asset.

(b) Revenue recognition not in relation to performance obligation

(i) Dividend income of the Company

Dividend income is recognised when the rights to receive dividend payments have been established.

(ii) Rental income

As a lessor, the Group recognised lease payments as rental income from operating leases over the lease term evenly (straight-line basis) based on the rental chargeable to tenants.

NOTES TO THE FINANCIAL STATEMENTS - 31 DECEMBER 2025 (CONT'D)**SECTION 2: INFORMATION ON STATEMENTS OF PROFIT OR LOSS (CONT'D)****2.2 COST OF SALES**

This note provides a breakdown of the cost of sales, which are directly incurred to generate revenue as disclosed in Note 2.1.

	Note	Group		Company	
		2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
Property development costs	3.7(b)(ii)	13,563	36,813	-	-
Construction costs		311,956	273,240	-	-
Cost of services rendered		61,940	53,196	5,405	4,283
Cost of goods sold		562,114	354,467	-	-
Property maintenance expenses		877	890	-	-
		950,450	718,606	5,405	4,283

(a) Recognition and measurement**(i) Property development costs**

Recognition and measurement of the property development costs are disclosed in Note 3.7(a)(ii).

(ii) Construction costs

Construction costs are recognised upon construction work carried out and certified based on the actual value of work done.

(iii) Cost of services rendered and property maintenance expenses

Cost of services rendered and property maintenance expenses are recognised upon services rendered to the Group. These expenses are measured at the fair value of services received.

(iv) Cost of goods sold

The cost of goods sold is recognised upon delivery of goods to customers and measured at the fair value of goods received.

NOTES TO THE FINANCIAL STATEMENTS - 31 DECEMBER 2025 (CONT'D)**SECTION 2: INFORMATION ON STATEMENTS OF PROFIT OR LOSS (CONT'D)****2.2 COST OF SALES (CONT'D)****(b) Other information**

Included in cost of sales:

	Note	Group		Company	
		2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
Depreciation of:					
- investment properties	3.2(b)(iii)	161	177	-	-
- property, plant and equipment	3.1(b)(iii)	13,461	5,850	-	-
- right-of-use assets	3.6(b)(ii)	563	533	-	-
Staff costs	2.9(c)	60,814	49,718	5,377	4,252
Write down of inventories	2.9(d)	2,005	5,956	-	-

2.3 SELLING EXPENSES

This note outlines selling and marketing expenses by nature.

	Group	
	2025 RM'000	2024 RM'000
Advertisement and promotion	1,376	773
Commission	1,530	1,227
Marketing cost	6,406	7,280
Others	416	230
	9,728	9,510

NOTES TO THE FINANCIAL STATEMENTS - 31 DECEMBER 2025 (CONT'D)**SECTION 2: INFORMATION ON STATEMENTS OF PROFIT OR LOSS (CONT'D)****2.4 GENERAL AND ADMINISTRATIVE EXPENSES**

This note outlines administrative expenses by nature.

	Note	Group		Company	
		2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
Establishment-related expenses					
Amortisation of software					
licences	3.5(b)(ii)	101	43	-	-
Depreciation of:					
- investment properties	3.2(b)(iii)	1,094	1,077	-	-
- property, plant and equipment	3.1(b)(iii)	21,897	21,154	132	158
- right-of-use assets	3.6(b)(ii)	2,749	2,829	-	-
Insurance		2,168	1,423	-	-
Quit rent and assessment		1,991	1,693	-	-
Rental expenses for:					
- lease of low-value assets	3.6(d)(i)	73	51	-	-
- short-term leases	3.6(d)(i)	735	540	-	-
Repair and maintenance		10,939	9,431	2	2
Utility expenses		7,273	7,772	-	-
Others		577	505	-	-
		<u>49,597</u>	<u>46,518</u>	<u>134</u>	<u>160</u>

General and administrative expenses

Auditors' remuneration:

Statutory audit - current year:					
- auditors of the Company		310	346	48	47
- other auditor		29	29	-	-
Other audit-related services					
- current year:					
- auditors of the Company		41	25	5	5
		380	400	53	52
Bank charges		2,596	1,947	2	1
Communication expenses		748	715	-	-
Donations		152	1,304	-	800
Food and beverage		418	418	-	-
Legal and professional fees		1,698	2,109	45	37
Hotel management fee		2,229	1,784	-	-
Management fee		7,970	8,370	73	197
Sub-total carried forward		<u>16,191</u>	<u>17,047</u>	<u>173</u>	<u>1,087</u>

NOTES TO THE FINANCIAL STATEMENTS - 31 DECEMBER 2025 (CONT'D)**SECTION 2: INFORMATION ON STATEMENTS OF PROFIT OR LOSS (CONT'D)****2.4 GENERAL AND ADMINISTRATIVE EXPENSES (CONT'D)**

	Note	Group		Company	
		2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
Sub-total brought forward		16,191	17,047	173	1,087
General and administrative expenses (Cont'd)					
Printing and stationery		826	737	9	15
Repair and maintenance		986	972	17	23
Sales and service tax expenses		1,758	884	16	13
Security services		2,046	1,121	-	-
Service and registration expenses		404	622	10	4
Subscription fees		365	175	24	2
Transport and travelling		1,760	1,404	3	8
Others		4,540	3,607	49	37
		<u>28,876</u>	<u>26,569</u>	<u>301</u>	<u>1,189</u>
Personnel expenses					
Salaries, allowances, bonuses and other emoluments (net of over provision in prior year)		39,950	31,703	-	-
Pension costs - defined contribution plan		4,672	4,240	-	-
Others		6,759	4,882	-	-
	2.9(c)	<u>51,381</u>	<u>40,825</u>	<u>-</u>	<u>-</u>
Total administrative expenses		<u>129,854</u>	<u>113,912</u>	<u>435</u>	<u>1,349</u>

Recognition and measurement

Administrative expenses are recognised on an accrual basis based on the fair values of services rendered and goods received.

NOTES TO THE FINANCIAL STATEMENTS - 31 DECEMBER 2025 (CONT'D)**SECTION 2: INFORMATION ON STATEMENTS OF PROFIT OR LOSS (CONT'D)****2.5 RESEARCH AND DEVELOPMENT EXPENSES**

	Group	
	2025	2024
	RM'000	RM'000
Research and development expenses	1,623	967

The research and development expenses were incurred by Olympic Cable and Acotec IBS to enhance product quality and derive innovation.

2.6 IMPAIRMENT WRITE BACK/(LOSS) - NET

This note outlines impairment losses on financial assets measured at amortised cost, including impairment losses made or write-backs.

	Note	Group		Company	
		2025	2024	2025	2024
		RM'000	RM'000	RM'000	RM'000
Write back of impairment losses on:					
- trade receivables:					
- Collective assessment	3.9(b)(i)	3,997	1	-	-
- Individual assessment	3.9(b)(i)	1,671	575	-	-
- amount due from subsidiaries	3.12(c)(i)	-	-	1,623	-
		<u>5,668</u>	<u>576</u>	<u>1,623</u>	<u>-</u>
Allowance for impairment losses on:					
- trade receivables:					
- Collective assessment	3.9(b)(i)	(2,000)	(2,199)	-	-
- Individual assessment	3.9(b)(i)	(378)	(2,678)	-	-
- other receivables:					
- Individual assessment	3.13(b)(i)	(34)	(305)	-	-
		<u>(2,412)</u>	<u>(5,182)</u>	<u>-</u>	<u>-</u>
Net impairment write back/(loss)		<u>3,256</u>	<u>(4,606)</u>	<u>1,623</u>	<u>-</u>

All impairment losses and related write-backs have been recognised in compliance with the relevant accounting standards. The credit risk assessments for trade receivables, amount due from immediate holding company, amounts due from related companies, amounts due from subsidiaries and other receivables are provided in Notes 3.9(a), 3.10(a), 3.11(a), 3.12(a) and 3.13(a).

NOTES TO THE FINANCIAL STATEMENTS - 31 DECEMBER 2025 (CONT'D)**SECTION 2: INFORMATION ON STATEMENTS OF PROFIT OR LOSS (CONT'D)****2.7 OTHER OPERATING INCOME**

This note outlines other operating income including gains on fair valuation.

	Note	Group		Company	
		2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
Other income:					
Interest income from:					
- subsidiaries		-	-	858	800
- related companies		1,766	1,813	-	-
Rental income		670	718	-	-
Gains:					
Fair valuation gain of:					
- biological assets	3.15	10	162	-	-
- retention sums		231	316	-	-
Foreign currency transactions gain		1,851	2,444	-	-
Foreign currency translations gain		337	-	-	-
Gain on disposals of:					
- property, plant and equipment		4,430	279	1	29
- investment property		77	-	-	-
		6,936	3,201	1	29
Others		1,545	1,859	-	-
		10,917	7,591	859	829

Recognition and measurement

Other operating income is recognised when a performance obligation is satisfied by transfer of the asset. Control of the asset is transferred to the customer upon delivery and acceptance of the goods or services. Certain income with the same nature is recognised on the same principles as disclosed in Note 2.1, while others are described below:

- (i) Gains on disposal of property, plant and equipment is recognised upon the buyer obtaining control of the asset or completion of the sale and purchase agreement, and is measured based on the difference between disposal proceeds and carrying amounts of the assets.
- (ii) All other income is recognised on an accrual basis, and measured at the fair value of the transaction.
- (iii) Fair valuation gain is recognised using the fair value hierarchy with three levels of inputs for valuation technique as described in Note 3.15(b). The fair valuation gains are measured based on the difference between the fair value and the carrying amounts of the assets. The fair value measurement of biological assets is disclosed in Note 3.15(b).

NOTES TO THE FINANCIAL STATEMENTS - 31 DECEMBER 2025 (CONT'D)**SECTION 2: INFORMATION ON STATEMENTS OF PROFIT OR LOSS (CONT'D)****2.8 OTHER OPERATING EXPENSES**

This note outlines other operating expenses.

	Note	Group		Company	
		2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
Losses:					
Allowance for impairment losses on investment properties	3.2(b)(i)	-	831	-	-
Fair valuation loss of:					
- biological assets	3.15	210	-	-	-
- retention sums		438	187	-	-
Foreign currency transactions loss		109	1,802	-	-
Foreign currency translations loss		1,631	1,123	4,425	26,496
Waiver of debts		-	-	672	-
Loss on disposal of:					
- an associate	3.4(b)	-	72	-	-
- plant and equipment		4	254	-	-
Loss on strike-off of subsidiaries	3.3(d)	-	-	20	-
Write off of financial assets measured at amortised cost:					
- trade receivables		1	-	-	-
- other receivables		-	5	-	-
Write off of plant and equipment	3.1(b)(iv)	928	12	-	-
		3,321	4,286	5,117	26,496
Others		119	31	-	44
		3,440	4,317	5,117	26,540

Recognition and measurement

- (i) Loss on the disposal of plant and equipment is recognised upon the buyer obtaining control of the asset or completion of the sale and purchase agreement, and is measured based on the difference between disposal proceeds and carrying amounts of the assets.
- (ii) All other expenses are recognised when the financial obligations of liabilities arise and measured at the fair values of the transactions.

NOTES TO THE FINANCIAL STATEMENTS - 31 DECEMBER 2025 (CONT'D)**SECTION 2: INFORMATION ON STATEMENTS OF PROFIT OR LOSS (CONT'D)****2.8 OTHER OPERATING EXPENSES (CONT'D)****Recognition and measurement (Cont'd)**

(iii) Fair valuation loss is recognised using the fair value hierarchy with three levels of inputs for valuation technique as described in Note 3.15(b). The fair valuation loss is measured based on the difference between the fair value and the carrying amounts of the assets. The fair value measurement of biological assets is disclosed in Note 3.15(b).

2.9 AGGREGATED EXPENSES

This note outlines the aggregation of operating income and expenses by nature.

	Note	Group		Company	
		2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
(a) Depreciation					
Cost of sales					
- investment properties	3.2(b)(iii)	161	177	-	-
- property, plant and equipment	3.1(b)(iii)	13,461	5,850	-	-
- right-of-use assets	3.6(b)	563	533	-	-
General and administrative expenses					
- investment properties	3.2(b)(iii)	1,094	1,077	-	-
- property, plant and equipment	3.1(b)(iii)	21,897	21,154	132	158
- right-of-use assets	3.6(b)	2,749	2,829	-	-
		39,925	31,620	132	158
(b) Amortisation					
General and administrative expenses					
- software licences	3.5(b)(ii)	101	43	-	-

NOTES TO THE FINANCIAL STATEMENTS - 31 DECEMBER 2025 (CONT'D)**SECTION 2: INFORMATION ON STATEMENTS OF PROFIT OR LOSS (CONT'D)****2.9 AGGREGATED EXPENSES (CONT'D)**

	Note	Group		Company	
		2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
(c) Employee benefits					
Cost of sales					
Directors' remuneration including estimated money value of any other benefits	4.3(b)	10,007	8,557	4,628	4,094
Staff costs (excluding Directors' remuneration):					
- salaries, allowances, bonuses and other emoluments (net of over provision)		42,421	34,500	749	158
- defined contribution plans		4,264	3,941	-	-
- social security costs		348	249	-	-
- other staff related expenses		3,774	2,471	-	-
		50,807	41,161	749	158
	2.2(b)	60,814	49,718	5,377	4,252
General and administrative expenses					
Staff costs (excluding Directors' remuneration):					
- salaries, allowances, bonuses and other emoluments (net of over provision)		39,950	31,703	-	-
- defined contribution plans		4,672	4,240	-	-
- social security costs		524	395	-	-
- other staff related expenses		6,235	4,487	-	-
	2.4	51,381	40,825	-	-
Total		112,195	90,543	5,377	4,252

NOTES TO THE FINANCIAL STATEMENTS - 31 DECEMBER 2025 (CONT'D)**SECTION 2: INFORMATION ON STATEMENTS OF PROFIT OR LOSS (CONT'D)****2.9 AGGREGATED EXPENSES (CONT'D)**

	Note	Group		Company	
		2025	2024	2025	2024
		RM'000	RM'000	RM'000	RM'000
(d) Write down					
Cost of sales					
Inventories	2.2(b)	2,005	5,956	-	-

2.10 INCOME FROM CASH AND CASH EQUIVALENTS

This note outlines the income generated from cash and cash equivalents.

	Group		Company	
	2025	2024	2025	2024
	RM'000	RM'000	RM'000	RM'000
Financial assets measured at fair value through profit or loss:				
- Funds distribution income	7,776	3,859	3,560	1,147
- Fair valuation gain of short-term funds	750	3,577	-	1,853
- Gain on redemption of short-term funds	3,205	-	2,689	-
Financial assets measured at amortised cost:				
- Interest income on deposits and placements with licensed financial institutions	4,006	5,718	2,565	3,607
	<u>15,737</u>	<u>13,154</u>	<u>8,814</u>	<u>6,607</u>

Recognition and measurement

- (i) Fund distribution income is recognised and measured using the effective interest method over the tenures of the short-term funds.
- (ii) Interest income on deposits and placements with licensed financial institutions is recognised and measured using the effective interest method over the tenure of placement.
- (iii) Fair valuation is recognised based on the fair value measurement of short-term funds, as described in Note 3.16(a).

NOTES TO THE FINANCIAL STATEMENTS - 31 DECEMBER 2025 (CONT'D)**SECTION 2: INFORMATION ON STATEMENTS OF PROFIT OR LOSS (CONT'D)****2.11 FAIR VALUATION LOSS ON OTHER INVESTMENTS**

	Group		Company	
	2025	2024	2025	2024
	RM'000	RM'000	RM'000	RM'000
Fair valuation loss of short-term funds	1,793	-	1,793	-

Recognition and measurement

Fair valuation loss is recognised based on the fair value measurement of short-term funds, as described in Note 3.16(a).

2.12 INTEREST EXPENSE ON BORROWINGS

This note outlines the interest expenses incurred, amortisation of finance costs recognised, fees or expenses related to financing and interest capitalised for property development projects.

	Note	Group		Company	
		2025	2024	2025	2024
		RM'000	RM'000	RM'000	RM'000
Interest expense of financial liabilities that are measured at amortised cost:					
- amounts due to related companies		6,662	5,913	-	-
- revolving credits		3,511	2,794	244	252
- term loans		6,512	3,544	-	-
- bankers' acceptances		1,588	857	-	-
		18,273	13,108	244	252
Other finance costs of financial liabilities that are measured at amortised cost:					
- facilities fee		44	594	-	-
Interest capitalised under:					
- land held for property development	3.7(b)(i)	(14)	-	-	-
- property development expenditure	3.7(b)(ii)	(26)	(54)	-	-
		18,277	13,648	244	252

Recognition and measurement

Finance costs are recognised and measured using the effective interest method over the tenure of the respective amortised cost instruments.

NOTES TO THE FINANCIAL STATEMENTS - 31 DECEMBER 2025 (CONT'D)**SECTION 2: INFORMATION ON STATEMENTS OF PROFIT OR LOSS (CONT'D)****2.13 INTEREST EXPENSE ON OTHER LIABILITIES**

This note outlines the interest expenses incurred, amortisation of finance costs recognised.

	Note	Group	
		2025 RM'000	2024 RM'000
Interest expense of financial liabilities that are measured at amortised cost			
- lease liabilities	3.6(c)	202	246

2.14 TAX EXPENSE

This note sets out the income tax provision, including the effects of non-taxable and non-deductible items on the tax expense, as well as deferred tax recognised during the year.

	Note	Group		Company	
		2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
Income tax:					
- Current year provision		14,457	15,660	1,742	1,448
- (Over)/Under provision in prior years		(11,549)	(2,031)	3	(41)
Deferred income tax:					
- Origination and reversal of temporary differences		5,414	3,077	-	-
- (Over)/Under provision in prior years		(1,528)	1,454	-	-
		3,886	4,531	-	-
		6,794	18,160	1,745	1,407
Deferred income tax:					
Deferred tax assets	3.8(b)(i)	1,391	2,552	-	-
Deferred tax liabilities	3.8(b)(ii)	2,495	1,979	-	-
		3,886	4,531	-	-

Tax expense analysed by business segments of the Group is disclosed in Note 1.3(a).

(a) Recognition and measurement

Current income tax expense is recognised in the profit or loss, except when it relates to items recognised in other comprehensive income or directly in equity. The tax amount is measured using tax rates and laws enacted by year-end.

NOTES TO THE FINANCIAL STATEMENTS - 31 DECEMBER 2025 (CONT'D)**SECTION 2: INFORMATION ON STATEMENTS OF PROFIT OR LOSS (CONT'D)****2.14 TAX EXPENSE (CONT'D)****(b) Tax rates**

Income tax expense is computed using the statutory tax rates of each jurisdiction on the estimated taxable profits for the year, as follows:

Country	2025	2024
Malaysia	24%	24%
Australia	30%	30%
Singapore	17%	17%

(c) Reconciliation between tax expense and accounting profit before tax

The reconciliation of the Malaysian tax expense to the amount computed by applying the statutory corporate tax rate of 24% (2024: 24%) to the accounting profit before tax is set out below:

	Group		Company	
	2025	2024	2025	2024
	RM'000	RM'000	RM'000	RM'000
Profit before tax ("PBT")	106,806	89,196	46,939	127,916
Share of results of associates and a joint venture, net of tax	10,216	(9,428)	-	-
PBT before share of results	117,022	79,768	46,939	127,916
Tax at Malaysian statutory rate on PBT @ 24%	28,085	19,144	11,265	30,700
Tax effects of:				
- different tax rates in foreign jurisdictions/other authorities	3	(1)	-	-
- non-taxable income	(4,956)	(4,192)	(12,955)	(36,883)
- non-deductible expenses	6,848	4,853	3,432	7,631
Utilisation of previously unrecognised deferred tax assets	(10,767)	(1,813)	-	-
Deferred tax assets not recognised during the year	658	746	-	-
(Over)/Under provision of deferred tax in prior years	(1,528)	1,454	-	-
(Over)/Under provision of income tax in prior years	(11,549)	(2,031)	3	(41)
Tax expense	6,794	18,160	1,745	1,407

(d) Other information

The deferred tax assets/(liabilities) are disclosed in Note 3.8.

NOTES TO THE FINANCIAL STATEMENTS - 31 DECEMBER 2025 (CONT'D)**SECTION 3: INFORMATION ON STATEMENTS OF FINANCIAL POSITION**

This section details the individual line items in the statements of financial position. It covers assets, liabilities, share capital and reserves, along with the applicable accounting policies for each category.

3.1 PROPERTY, PLANT AND EQUIPMENT

This note provides information on property, plant and equipment (also known as fixed assets) employed in generating business income.

	Group		Company	
	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
Net carrying amount:				
Freehold land and golf course				
on freehold land	120,016	121,765	-	-
Buildings	208,020	210,540	-	-
Plant and machinery	89,647	68,616	-	-
Motor vehicles	2,399	2,342	459	569
Furniture, fittings, equipment and renovation	103,217	104,421	15	37
Assets under construction	27,966	12,044	-	-
Bearer plants	11,790	11,381	-	-
	563,055	531,109	474	606
 Net carrying amount analysed by business segments:				
Property	50,250	37,590		
Industries	197,816	178,900		
Hospitality	314,512	314,012		
Investment Holding	477	607		
	563,055	531,109		

All property, plant and equipment are utilised for business operations.

(a) Recognition, measurement and significant judgement

Property, plant and equipment are recorded using the following recognition and measurement principles:

Property, plant and equipment are recognised when it is probable that future economic benefits will flow to the Group and the Company. Initially, these assets are measured at cost, which includes the fair value at the date control is obtained and the cost of replacing parts of the plant and equipment. Subsequently, they are carried at cost less accumulated depreciation and any accumulated impairment losses.

NOTES TO THE FINANCIAL STATEMENTS - 31 DECEMBER 2025 (CONT'D)**SECTION 3: INFORMATION ON STATEMENTS OF FINANCIAL POSITION (CONT'D)****3.1 PROPERTY, PLANT AND EQUIPMENT (CONT'D)****(a) Recognition, measurement and significant judgement (Cont'd)**

Assets under construction are recorded at cost, including borrowing costs for construction projects, provided the recognition criteria are met, net of any accumulated impairment losses. When significant components of plant and equipment require replacement at regular intervals, depreciation is calculated separately based on their specific useful lives. If the recognition criteria are met, the cost of major inspections is capitalised in the carrying amount of the plant and equipment as a replacement. All other repair and maintenance costs are expensed in the statement of profit or loss as incurred. It is essential to determine whether these expenditures meet the definition of an asset and are recognised as property, plant and equipment.

Climate-related matter

The Group adopted IFRS S2 'Climate-related Disclosures' in 2025. In applying IFRS S2, climate-related considerations were integrated into existing asset management, capital expenditure planning and financial reporting processes, particularly in areas requiring significant judgement under MFRS 116, including the review of useful lives, residual values and the assessment of impairment indicators. The adoption of IFRS S2 did not result in changes to the Group's recognition and measurement principles for property, plant and equipment.

Physical and transition climate-related risks

The Group assessed the exposure of property, plant and equipment to relevant physical and transition climate-related risks, including flooding and extreme weather conditions, potential carbon pricing mechanisms and regulatory requirements under the Energy Efficiency and Conservation Act (EECA). The assessment considered the nature, location and usage of the Group's key asset classes, including land and buildings, plant and machinery, motor vehicles, furniture and fittings, and bearer plants.

Based on the assessment performed, the Group concluded that climate-related risks did not result in material changes to estimates of useful lives, residual values, depreciation charges or impairment conclusions. Accordingly, the financial impact of climate-related considerations on property, plant and equipment was not material to the Group's financial statements. Further information on climate-related risks is disclosed in Note 6.3.

Capital Expenditure for Climate Resilience

As part of the Group's response to identified physical climate-related risks under IFRS S2, certain expenditures were incurred to enhance the resilience of existing assets against identified physical climate-related risks is capitalised where the recognition criteria under MFRS 116 are met. Such expenditure includes costs to strengthen structural integrity or upgrade drainage and related infrastructure to mitigate flood risk. These capitalised costs are depreciated over the remaining useful life of the related asset.

NOTES TO THE FINANCIAL STATEMENTS - 31 DECEMBER 2025 (CONT'D)**SECTION 3: INFORMATION ON STATEMENTS OF FINANCIAL POSITION (CONT'D)****3.1 PROPERTY, PLANT AND EQUIPMENT (CONT'D)****(a) Recognition, measurement and significant judgement (Cont'd)**

The carrying amount of an item of property, plant and equipment is derecognised upon disposal (i.e., when the recipient gains control) or when no future economic benefits are expected from its use or disposal. Any gain or loss arising from the derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of profit or loss at the time of derecognition.

Depreciation Policy

Depreciation is calculated on a straight-line basis to write off the cost of each asset to its residual value over its estimated useful life. Depreciation expense for property, plant and equipment is recognised in the statement of profit or loss within the expense category that aligns with the business activities and function. Freehold land and golf course on freehold land are not depreciated. Assets under construction are not depreciated until they are available for use.

The estimated useful lives of assets are based on industry norms for common life expectancies. The principal depreciation periods and annual rates applied are as follows:

	Years	Percentage (%)
Buildings	33 - 60	2 - 3
Plant and machinery	5 - 10	10 - 20
Motor vehicles	5 - 7	15 - 20
Furniture, fittings, equipment and renovation	5 - 10	10 - 20
Bearer plants	22	5

The residual values, useful lives and depreciation methods of property, plant and equipment are reviewed at least annually. This review ensures that the depreciation amount, method and period remain consistent with previous estimates and align with the expected pattern of consumption of the future economic benefits embodied in these assets. At the end of each year, the residual values, useful lives and depreciation methods are reassessed and adjusted prospectively, if appropriate.

NOTES TO THE FINANCIAL STATEMENTS - 31 DECEMBER 2025 (CONT'D)

SECTION 3: INFORMATION ON STATEMENTS OF FINANCIAL POSITION (CONT'D)

3.1 PROPERTY, PLANT AND EQUIPMENT (CONT'D)

(a) Recognition, measurement and significant judgement (Cont'd)

Impairment Assessment

At each reporting date, an assessment is conducted to determine if there is any indication of impairment on an asset. If such an indication exists, or if annual impairment testing is required, an analysis is performed to evaluate whether the carrying amount of such an asset is fully recoverable. An impairment loss is recognised if the carrying amount exceeds the recoverable amount, indicating that the asset is impaired and should be written down to its recoverable amount.

For impairment assessment, the recoverable amount of the property, plant and equipment is determined based on either (a) the "value-in-use" of Cash-Generating Units ("CGU"); or (b) the indicative market value of the property, plant and equipment, as appropriate.

The value-in-use of a CGU is determined by discounting the future cash flows expected from its continued use. Significant judgement is required to estimate future results and key assumptions applied to the CGU's cash flow projections. These key assumptions include forecasted growth in future revenues and operating profit margins, as well as determining an appropriate pre-tax discount rate and growth rates, which are, among others, dependent on forecasted economic conditions, among other factors.

At each reporting date, an assessment is conducted to determine whether there is any indication that previously recognised impairment losses no longer exist or have decreased. If such an indication exists, the Group or the Company estimates the recoverable amount of such asset or CGU. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of such asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised in prior years. Such reversals are recognised in the statement of profit or loss.

The impairment assessment for property, plant and equipment of certain subsidiaries was based on the "value-in-use" of CGUs, using the key assumptions detailed above. No impairment was indicated, as the recoverable amounts of these CGUs exceeded their carrying amounts. It is believed that no reasonably possible change in any of the key assumptions would result in the carrying amounts of the CGUs materially exceeding their recoverable amounts.

For certain subsidiaries within the Property Investment and Hotels and Resorts Divisions, Impairment assessments were carried out based on the indicative market values of property, plant and equipment.

NOTES TO THE FINANCIAL STATEMENTS - 31 DECEMBER 2025 (CONT'D)

SECTION 3: INFORMATION ON STATEMENTS OF FINANCIAL POSITION (CONT'D)

3.1 PROPERTY, PLANT AND EQUIPMENT (CONT'D)

(a) Recognition, measurement and significant judgement (Cont'd)

Impairment Assessment (Cont'd)

Climate-related Risks in Impairment Testing

In performing impairment assessments, the Group considers all relevant and supportable information, including climate-related physical and transition risks identified under IFRS S2 'Climate-related Disclosures'. These risks may affect future cash flow projections through potential operational disruptions, increased regulatory costs or additional capital expenditure requirements.

Climate-related considerations are incorporated into key assumptions used in value-in-use calculations, including projected cash flows, growth rates and capital expenditure assumptions. Based on the assessments performed, no additional impairment indicators were identified, as the recoverable amounts of the relevant CGUs exceeded their carrying amounts. Management concluded that no reasonably possible changes in key assumptions, including climate-related factors, would result in the carrying amounts materially exceeding their recoverable amounts.

The Group has adopted IFRS S2 'Climate-related Disclosures' during the financial year, and the relevant requirements on property, plant and equipment are discussed in Note 6.3(a)(ii).

NOTES TO THE FINANCIAL STATEMENTS - 31 DECEMBER 2025 (CONT'D)
SECTION 3: INFORMATION ON STATEMENTS OF FINANCIAL POSITION (CONT'D)

3.1 PROPERTY, PLANT AND EQUIPMENT (CONT'D)

(b) Other information

(i) Movement of property, plant and equipment by classes of assets

Group

2025

Cost	Note	Freehold land and golf course on freehold land RM'000	Buildings RM'000	Plant and machinery RM'000	Motor vehicles RM'000	Furniture, fittings, equipment and renovation RM'000	Assets under construction RM'000	Bearer plants RM'000	Total RM'000
At the beginning of the year		121,862	358,904	190,100	8,636	206,827	14,164	19,252	919,745
Additions	1.3(a),(b)	122	5,816	37,181	539	14,897	16,344	1,313	76,212
Disposals		(1,871)	(1,189)	-	(309)	(1,003)	-	-	(4,372)
Write offs	(b)(iv)	-	-	(1,512)	(5)	(2,632)	-	-	(4,149)
Reclassification upon completion		-	-	-	-	422	(422)	-	-
At the end of the year		120,113	363,531	225,769	8,861	218,511	30,086	20,565	987,436
Accumulated depreciation									
At the beginning of the year		-	132,321	121,484	6,294	102,405	-	7,871	370,375
Charge for the year	(b)(iii)	-	7,473	16,107	481	15,542	-	904	40,507
Disposals		-	(326)	-	(308)	(907)	-	-	(1,541)
Write offs	(b)(iv)	-	-	(1,469)	(5)	(1,747)	-	-	(3,221)
At the end of the year		-	139,468	136,122	6,462	115,293	-	8,775	406,120
Accumulated impairment									
At the beginning/end of the year		97	16,043	-	-	1	2,120	-	18,261
Net carrying amount		120,016	208,020	89,647	2,399	103,217	27,966	11,790	563,055

NOTES TO THE FINANCIAL STATEMENTS - 31 DECEMBER 2025 (CONT'D)

SECTION 3: INFORMATION ON STATEMENTS OF FINANCIAL POSITION (CONT'D)

3.1 PROPERTY, PLANT AND EQUIPMENT (CONT'D)

(b) Other information (Cont'd)

(i) Movement of property, plant and equipment by classes of assets (Cont'd)

Group (Cont'd)

2024	Note	Freehold land and golf course on freehold land RM'000	Buildings RM'000	Plant and machinery RM'000	Motor vehicles RM'000	Furniture, fittings, equipment and renovation RM'000	Assets under construction RM'000	Bearer plants RM'000	Total RM'000
Cost									
At the beginning of the year		75,587	319,036	140,902	8,105	200,032	14,376	18,377	776,415
Additions	1.3(a),(b)	46,275	33,395	49,884	1,954	7,349	11,727	875	151,459
Disposals		-	-	(394)	(1,066)	(3,163)	(840)	-	(5,463)
Write offs	(b)(iv)	-	-	(292)	(357)	(850)	-	-	(1,499)
Reclassification upon completion Reclassified to investment properties	3.2(b)(i)	-	7,640	-	-	3,459	(11,099)	-	-
At the end of the year		121,862	358,904	190,100	8,636	206,827	14,164	19,252	919,745
Accumulated depreciation									
At the beginning of the year		-	126,398	115,138	7,160	90,934	-	6,967	346,597
Charge for the year	(b)(iii)	-	6,221	7,027	557	15,198	-	904	29,907
Disposals		-	-	(389)	(1,066)	(2,889)	-	-	(4,344)
Write offs	(b)(iv)	-	-	(292)	(357)	(838)	-	-	(1,487)
Reclassified to investment properties	3.2(b)(i)	-	(298)	-	-	-	-	-	(298)
At the end of the year		-	132,321	121,484	6,294	102,405	-	7,871	370,375
Accumulated impairment									
At the beginning/end of the year		97	16,043	-	-	1	2,120	-	18,261
Net carrying amount		121,765	210,540	68,616	2,342	104,421	12,044	11,381	531,109

In 2024, a condominium with a carrying amount of RM0.9 million was reclassified to investment property for leasing purposes.

NOTES TO THE FINANCIAL STATEMENTS - 31 DECEMBER 2025 (CONT'D)

SECTION 3: INFORMATION ON STATEMENTS OF FINANCIAL POSITION (CONT'D)

3.1 PROPERTY, PLANT AND EQUIPMENT (CONT'D)

(b) Other information (Cont'd)

(i) Movement of property, plant and equipment by classes of assets (Cont'd)

Company

2025

Cost	Note	Motor vehicles RM'000	Furniture, fittings and equipment RM'000	Total RM'000
At the beginning of the year		1,054	2,232	3,286
Disposal		-	(10)	(10)
At the end of the year		<u>1,054</u>	<u>2,222</u>	<u>3,276</u>

Accumulated depreciation

At the beginning of the year		485	2,195	2,680
Charge for the year	(b)(iii)	110	22	132
Disposal		-	(10)	(10)
At the end of the year		<u>595</u>	<u>2,207</u>	<u>2,802</u>

Net carrying amount

		<u>459</u>	<u>15</u>	<u>474</u>
--	--	------------	-----------	------------

2024

Cost

At the beginning of the year		1,556	2,254	3,810
Disposals		(502)	(22)	(524)
At the end of the year		<u>1,054</u>	<u>2,232</u>	<u>3,286</u>

Accumulated depreciation

At the beginning of the year		895	2,151	3,046
Charge for the year	(b)(iii)	92	66	158
Disposal		(502)	(22)	(524)
At the end of the year		<u>485</u>	<u>2,195</u>	<u>2,680</u>

Net carrying amount

		<u>569</u>	<u>37</u>	<u>606</u>
--	--	------------	-----------	------------

NOTES TO THE FINANCIAL STATEMENTS - 31 DECEMBER 2025 (CONT'D)**SECTION 3: INFORMATION ON STATEMENTS OF FINANCIAL POSITION (CONT'D)****3.1 PROPERTY, PLANT AND EQUIPMENT (CONT'D)****(b) Other information (Cont'd)****(ii) Assets pledged as security**

Property, plant and equipment of certain subsidiaries with the following carrying amounts are pledged to licensed financial institutions for credit facilities granted to the subsidiaries:

	Note	Group	
		2025 RM'000	2024 RM'000
Freehold land		82,522	65,042
Buildings		155,761	107,233
	3.17(c)	<u>238,283</u>	<u>172,275</u>

(iii) Depreciation charge

The total depreciation charge for the year is as follows:

	Note	Group		Company	
		2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
Recognised in profit or loss and classified under:					
- Cost of sales	2.2(b),2.9(a)	13,461	5,850	-	-
- General and administrative expenses	2.4,2.9(a)	21,897	21,154	132	158
Charged to contract assets and liabilities in relation to construction contracts	3.14(b)(ii)	5,149	2,903	-	-
	(b)(i)	<u>40,507</u>	<u>29,907</u>	<u>132</u>	<u>158</u>

NOTES TO THE FINANCIAL STATEMENTS - 31 DECEMBER 2025 (CONT'D)**SECTION 3: INFORMATION ON STATEMENTS OF FINANCIAL POSITION (CONT'D)****3.1 PROPERTY, PLANT AND EQUIPMENT (CONT'D)****(b) Other information (Cont'd)****(iv) Write offs**

Plant and equipment written off for the year are as follows:

	Note	Group	
		2025 RM'000	2024 RM'000
Cost	(b)(i)	4,149	1,499
Accumulated depreciation	(b)(i)	(3,221)	(1,487)
Net carrying amount		928	12
Recognised in profit or loss and classified under:			
- Other operating expenses	2.8	928	12
		928	12

Assets being written off are no longer in use and do not generate future economic benefits to the Group.

3.2 INVESTMENT PROPERTIES

This note provides information on the Group's investment properties, which mainly comprise retail and hypermarket premises used to generate rental income and benefit from capital appreciation.

	Note	Group	
		2025 RM'000	2024 RM'000
Freehold land	(b)(i)	12,751	12,751
Buildings	(b)(i)	57,746	58,967
		70,497	71,718
Fair value		109,983	110,714

Carrying amount analysed by business segments:

Property	69,715	70,797
Industries	782	921
	70,497	71,718

NOTES TO THE FINANCIAL STATEMENTS - 31 DECEMBER 2025 (CONT'D)

SECTION 3: INFORMATION ON STATEMENTS OF FINANCIAL POSITION (CONT'D)

3.2 INVESTMENT PROPERTIES (CONT'D)

(a) Recognition and measurement

The Group's investment properties comprise hypermarket premises, office buildings, shop offices, commercial units, residential units and car parks. Management categorised these properties into two classes of assets (office and retail) based on the nature, characteristics and risks. The rental income and related expenses of office buildings are classified under the Property Segment and disclosed in Note 1.3.

Investment properties are capitalised when it is probable that future economic benefits will flow to the Group. They are initially measured at acquisition cost and subsequently measured at cost less accumulated depreciation and accumulated impairment losses, if any.

Subsequent expenditure is capitalised when future economic benefits are probable and costs are reliably measurable. Repairs and maintenance are expensed and replaced parts are derecognised.

The carrying amount of an item of investment properties is derecognised upon disposal (i.e., when the recipient gains control) or when no future economic benefits are expected from its use or disposal. Any gain or loss arising from the derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the investment property) is included in the statement of profit or loss at the time of derecognition.

In line with IFRS S2 'Climate-related Disclosures', the Group considers both physical and transition risks that may affect the valuation of investment properties. Physical risks, such as extreme weather events, and transition risks, including evolving climate-related regulations and tenants' increasing demand for low-emission and energy-efficient buildings, are assessed for their potential impact on cash flows, valuation inputs, and the assumptions used by market participants.

The Group has adopted IFRS S2 'Climate-related Disclosures' in the current year, and the relevant requirements on investment properties are discussed in Notes 6.3(a)(iii) and (iv).

Depreciation Policy

Depreciation is calculated on a straight-line basis to write off the cost of each investment property to its residual value over its estimated useful life. Depreciation expense on investment properties is recognised in the statement of profit or loss. The estimated useful life represents common life expectancy within the industry in which the Group operates. The principal depreciation period for buildings is 50 years. Freehold land and buildings under construction are not depreciated.

NOTES TO THE FINANCIAL STATEMENTS - 31 DECEMBER 2025 (CONT'D)

SECTION 3: INFORMATION ON STATEMENTS OF FINANCIAL POSITION (CONT'D)

3.2 INVESTMENT PROPERTIES (CONT'D)

(a) Recognition and measurement (Cont'd)

Impairment Assessment

At each reporting date, impairment assessment is conducted in a similar manner with property, plant and equipment as disclosed in Note 3.1(a). No impairment was indicated, as the recoverable amounts of these CGUs or properties exceeded their carrying amounts. It is believed that no reasonably possible change in any of the key assumptions would result in the carrying amounts of these CGUs or properties materially exceeding their recoverable amounts.

(b) Other information

(i) Movement of investment properties

Group**2025**

Cost	Note	Freehold land RM'000	Buildings RM'000	Building under construction RM'000	Total RM'000
At the beginning of the year		12,751	81,072	-	93,823
Expenditure incurred	1.3(a),(b)	-	-	127	127
Reclassification upon completion		-	127	(127)	-
Disposal		-	(150)	-	(150)
At the end of the year		12,751	81,049	-	93,800
Accumulated depreciation					
At the beginning of the year		-	7,776	-	7,776
Charge for the year	(b)(iii)	-	1,255	-	1,255
Disposal		-	(57)	-	(57)
At the end of the year		-	8,974	-	8,974
Accumulated impairment					
At the beginning/end of the year		-	14,329	-	14,329
Net carrying amount		12,751	57,746	-	70,497

NOTES TO THE FINANCIAL STATEMENTS - 31 DECEMBER 2025 (CONT'D)**SECTION 3: INFORMATION ON STATEMENTS OF FINANCIAL POSITION (CONT'D)****3.2 INVESTMENT PROPERTIES (CONT'D)****(b) Other information (Cont'd)****(i) Movement of investment properties (Cont'd)****Group (Cont'd)****2024**

	Note	Freehold land RM'000	Buildings RM'000	Building under construction RM'000	Total RM'000
Cost					
At the beginning of the year		12,751	32,983	45,679	91,413
Expenditure incurred	1.3(a),(b)	-	-	1,243	1,243
Reclassification upon completion		-	46,922	(46,922)	-
Reclassified from properties, plant and equipment	3.1(b)(i)	-	1,167	-	1,167
At the end of the year		12,751	81,072	-	93,823
Accumulated depreciation					
At the beginning of the year		-	6,224	-	6,224
Reclassified from property, plant and equipment	3.1(b)(i)	-	298	-	298
Charge for the year	(b)(iii)	-	1,254	-	1,254
At the end of the year		-	7,776	-	7,776
Accumulated impairment					
At the beginning of the year		-	13,498	-	13,498
Made during the year	2.8	-	831	-	831
At the end of the year		-	14,329	-	14,329
Net carrying amount		12,751	58,967	-	71,718

The additional costs incurred were for the existing investment properties.

NOTES TO THE FINANCIAL STATEMENTS - 31 DECEMBER 2025 (CONT'D)**SECTION 3: INFORMATION ON STATEMENTS OF FINANCIAL POSITION (CONT'D)****3.2 INVESTMENT PROPERTIES (CONT'D)****(b) Other information (Cont'd)****(i) Movement of investment properties (Cont'd)**

In 2024, a condominium with a carrying amount of RM0.9 million was reclassified from property, plant and equipment to investment property due to a change in its intended use. It is now held for leasing purposes. Additionally, a building, previously classified as investment property under construction was completed and transferred to investment property, it is now known as You City Retail.

(ii) Rental income and direct expenses

Rental income and direct expenses arising from investment properties during the year are as follows:

	Group	
	2025	2024
	RM'000	RM'000
Rental income generating	7,460	3,969
Direct expenses incurred to generate the rental income	2,420	1,814

(iii) Depreciation charge

The total depreciation charge for the year is as follows:

		Group	
		2025	2024
	Note	RM'000	RM'000
Recognised in profit or loss and classified under:			
Cost of sales	2.2(b),2.9(a)	161	177
General and administrative expenses	2.4,2.9(a)	1,094	1,077
	(b)(i)	<u>1,255</u>	<u>1,254</u>

(iv) Assets pledged as security

Investment properties with a total carrying amount of RM60.3 million (2024: RM61.2 million) are pledged to licensed financial institutions for credit facilities granted to the subsidiaries as disclosed in Note 3.17(c).

NOTES TO THE FINANCIAL STATEMENTS - 31 DECEMBER 2025 (CONT'D)**SECTION 3: INFORMATION ON STATEMENTS OF FINANCIAL POSITION (CONT'D)****3.2 INVESTMENT PROPERTIES (CONT'D)****(b) Other information (Cont'd)****(v) Other relevant information**

The fair value of the investment properties is estimated by the Directors by reference to transaction prices for similar properties in the vicinity as well as based on the investment method taking into account rental receipts, market rental yields and the use of appropriate capitalisation rates.

There are no restrictions on the realisability of investment properties and no contractual obligations to purchase, construct or develop investment property or to undertake repairs, maintenance or enhancement.

3.3 INVESTMENTS IN SUBSIDIARIES

This note details the Company's investments in subsidiaries, which generate dividend income.

	Note	Company	
		2025	2024
		RM'000	RM'000
Unquoted shares in Malaysia		647,222	626,775
Unquoted shares outside Malaysia		71,308	71,308
Equity loan to a subsidiary		156,942	161,282
	(d)	<u>875,472</u>	<u>859,365</u>

(a) Recognition, measurement and significant judgement

Subsidiaries are entities controlled by the Group. Investments in subsidiaries are recognised at cost, being the fair value of the consideration paid, when the Group obtains the power to control the entities. These investments are subsequently measured at cost less any impairment losses. Following a similar impairment assessment as disclosed in Note 3.1(a), the Group reviews these investments for impairment each reporting period, based on reasonable assumptions about future economic conditions, using the value-in-use method.

The Group has adopted IFRS S2 'Climate-related Disclosures' in the current year. The requirements applicable to investments in subsidiaries, which are similar to those for property, plant and equipment are discussed in Note 3.1(a). The impairment requirements are discussed in Note 6.3(a)(ii).

NOTES TO THE FINANCIAL STATEMENTS - 31 DECEMBER 2025 (CONT'D)

SECTION 3: INFORMATION ON STATEMENTS OF FINANCIAL POSITION (CONT'D)

3.3 INVESTMENTS IN SUBSIDIARIES (CONT'D)

(b) Changes in the Group's composition for the year ended 31 December 2025

(i) Incorporation of subsidiary

On 3 June 2025, OSK Construction Sdn. Bhd. ("OSK Construction"), a wholly-owned subsidiary of the Company, incorporated a wholly-owned subsidiary, OSK Engineering Sdn. Bhd. ("OSKE"), with an issued and paid-up capital of RM1 comprising one (1) ordinary share. The principal activity of OSKE is the provision of engineering services.

(ii) Subscription of shares in subsidiaries

(1) On 28 April 2025, the Company subscribed for 200,000 new ordinary shares in Vibrant Practice Sdn. Bhd. ("VPSB"), a wholly-owned subsidiary of the Company, for cash of RM200,000. Accordingly, the issued and paid-up ordinary share capital of VPSB increased from RM16,654,002 to RM16,854,002. The principal activity of VPSB is car park management and operation business.

Upon completion of the shares subscription, the Company's equity interests in VPSB remained at 100%.

(2) On 22 October 2025, Kota Mulia Sdn. Bhd. ("KMSB"), a wholly-owned subsidiary of the Company, subscribed for 60,000 new ordinary shares in PJD Highland Resort Sdn. Bhd. ("PJDHR"), a wholly-owned subsidiary of KMSB, for cash of RM60,000. Accordingly, the issued and paid-up ordinary share capital of PJDHR increased from RM7,840,002 to RM7,900,002. The principal activity of PJDHR is property development.

Upon completion of the shares subscription, the Company's effective equity interests in PJDHR remained at 100%.

(3) On 7 November 2025 and 13 November 2025, OSK Construction, a wholly-owned subsidiary of the Company, subscribed for 49,999 and 700,000 new ordinary shares in OSKE, a wholly-owned subsidiary of OSK Construction, for cash of RM49,999 and RM700,000. Accordingly, the issued and paid-up ordinary share capital of OSKE increased from RM1 to RM750,000.

Upon completion of the shares subscription, the Company's effective equity interests in OSKE remained at 100%.

NOTES TO THE FINANCIAL STATEMENTS - 31 DECEMBER 2025 (CONT'D)

SECTION 3: INFORMATION ON STATEMENTS OF FINANCIAL POSITION (CONT'D)

3.3 INVESTMENTS IN SUBSIDIARIES (CONT'D)

(b) Changes in the Group's composition for the year ended 31 December 2025 (Cont'd)

(ii) Subscription of shares in subsidiaries (Cont'd)

- (4) On 17 December 2025, the Company subscribed for 10,603,500 new ordinary shares in SGI Vacation Club Berhad ("SGIVC"), a wholly-owned subsidiary of the Company, by capitalising the amount due to the Company. Accordingly, the issued and paid-up ordinary share capital of SGIVC increased from RM50,711,789 to RM61,315,289. The principal activity of SGIVC is operation and management of timeshare membership scheme.

Upon completion of the shares subscription, the Company's equity interests in SGIVC remained at 100%.

- (5) On 17 December 2025, the Company subscribed for 4,045,000 new ordinary shares in Swiss-Garden Rewards Sdn. Bhd. ("SGR"), a wholly-owned subsidiary of the Company, of which RM245,000 was satisfied by capitalising the amount due to the Company and RM3,800,000 by cash consideration. Accordingly, the issued and paid-up ordinary share capital of SGR increased from RM17,686,000 to RM21,731,000. The principal activity of SGR is marketing of timeshare membership.

Upon completion of the shares subscription, the Company's equity interests in SGR remained at 100%.

- (6) On 22 December 2025, the Company subscribed for 5,618,175 new ordinary shares in Ancient Capital Sdn. Bhd. ("ACSB"), a wholly-owned subsidiary of the Company, by capitalising the amount due to the Company. Accordingly, the issued and paid-up ordinary share capital of ACSB increased from RM6,000,002 to RM11,618,177. The principal activity of ACSB is retail management and operations.

Upon completion of the shares subscription, the Company's equity interests in ACSB remained at 100%.

NOTES TO THE FINANCIAL STATEMENTS - 31 DECEMBER 2025 (CONT'D)

SECTION 3: INFORMATION ON STATEMENTS OF FINANCIAL POSITION (CONT'D)

3.3 INVESTMENTS IN SUBSIDIARIES (CONT'D)

(b) Changes in the Group's composition for the year ended 31 December 2025 (Cont'd)

(iii) Striking off subsidiaries

(1) Harbour Place Management Services Sdn. Bhd. ("HPMS")

On 10 March 2025, HPMS, a dormant company and a wholly-owned subsidiary of the Company, had been struck off from the registrar upon the publication of the notice of striking off pursuant to Section 551(3) of the CA2016 in the Gazette.

The striking off of HPMS did not have any material financial effect on the Group.

(2) HTR Management Services Sdn. Bhd. ("HTRMS")

On 10 November 2025, HTRMS, a dormant company and a wholly-owned subsidiary of the Company, applied to the Companies Commission of Malaysia ("CCM") to strike off pursuant to Section 550 of the CA2016. The application to strike off HTRMS is pending approval from the CCM.

The striking off of HPMS did not have any material financial effect on the Group.

(3) PJD Properties Management Sdn. Bhd. ("PJDPM")

On 22 December 2025, PJDPM, a dormant company and a wholly-owned subsidiary of the Company, applied to the CCM to strike off pursuant to Section 550 of the CA2016. The application to strike off PJDPM is pending approval from the CCM.

The striking off of PJDPM did not have any material financial effect on the Group.

(c) Changes in the Group's composition for the year ended 31 December 2024

(i) Subscription of shares in subsidiaries

- (1) On 9 February 2024, Kota Mulia Sdn. Bhd. ("KMSB") subscribed for 50,000 new ordinary shares in PJD Highland Resort Sdn. Bhd. ("PJDHR") for cash of RM50,000. Accordingly, the issued and paid-up ordinary share capital of this company increased from RM7,790,002 to RM7,840,002. The principal activity of PJDHR is property development.

Upon completion of the shares subscription, the Company's effective equity interests in PJDHR remained at 100%.

NOTES TO THE FINANCIAL STATEMENTS - 31 DECEMBER 2025 (CONT'D)**SECTION 3: INFORMATION ON STATEMENTS OF FINANCIAL POSITION (CONT'D)****3.3 INVESTMENTS IN SUBSIDIARIES (CONT'D)****(c) Changes in the Group's composition for the year ended 31 December 2024 (Cont'd)****(i) Subscription of shares in subsidiaries (Cont'd)**

- (2) On 9 February 2024, the Company subscribed for 290,000 new ordinary shares in Vibrant Practice Sdn. Bhd. ("VPSB") for cash of RM290,000. Accordingly, the issued and paid-up ordinary share capital of this company increased from RM16,364,002 to RM16,654,002. The principal activity of VPSB is car park management and operation business.

Upon completion of the shares subscription, the Company's equity interests in VPSB remained at 100%.

- (3) On 28 June 2024, Acotec Sdn. Bhd. ("Acotec") subscribed for 8,000,000 new ordinary shares in Malayan AECA Sdn. Bhd. ("MAECA") by way of capitalisation of the amount due from MAECA to Acotec. Accordingly, the issued and paid-up ordinary share capital of this company increased from RM2,500,001 to RM10,500,001. The principal activity of MAECA is manufacturing business.

Upon completion of the shares subscription, the Company's effective equity interests in MAECA remained at 100%.

- (4) On 12 July 2024 and 20 December 2024, the Company subscribed for 2,031,031 and 425,000 new ordinary shares in PJD Hotels Sdn. Bhd. ("PJD Hotels") for cash of RM2,031,031 and RM425,000 respectively. Accordingly, the issued and paid-up ordinary share capital of this company increased from RM245,468,969 to RM247,925,000. The principal activity of PJD Hotels is hotel business.

Upon completion of the shares subscription, the Company's equity interests in PJD Hotels remained at 100%.

(ii) Subscription of ordinary shares in Damai Laut Golf Resort Sdn. Bhd. (DLGR) by PJD Hotels

On 12 July 2024 and 20 December 2024, PJD Hotels, a wholly-owned subsidiary of the Company, subscribed for 1,833,131 and 425,000 new ordinary shares at RM1 each in DLGR. Accordingly, the issued and paid-up ordinary share capital of DLGR increased from RM140,666,869 to RM142,925,000. Upon completion of the share subscriptions, the Company's effective equity interest in DLGR increased to 99.65% from 99.64%.

The subscription of shares has the following effects on the Group:

	RM'000
Net liabilities acquired from non-controlling interests	7
Loss on consolidation recognised in statement of changes in equity	<u>(7)</u>
Net cash in/(out)flow on subscription of ordinary shares in DLGR	<u>-</u>

NOTES TO THE FINANCIAL STATEMENTS - 31 DECEMBER 2025 (CONT'D)

SECTION 3: INFORMATION ON STATEMENTS OF FINANCIAL POSITION (CONT'D)

3.3 INVESTMENTS IN SUBSIDIARIES (CONT'D)

(d) Other information

Movement of investments in subsidiaries

	Note	Company	
		2025 RM'000	2024 RM'000
Unquoted shares in Malaysia			
Cost			
At the beginning of the year		756,184	753,438
Subscription of shares by way of:			
- Cash consideration	(b)(ii)(1),(5),(c)(i)(2),(4)	4,000	2,746
- Capitalisation of amount due from subsidiaries	(b)(ii)(4),(5),(6)	16,467	-
Strike off of subsidiaries	(b)(iii)(2),(3),2.8	(20)	-
At the end of the year		776,631	756,184
Accumulated impairment losses			
At the beginning/end of the year		(129,409)	(129,409)
		647,222	626,775
Unquoted shares outside Malaysia			
Cost			
At the beginning/end of the year		71,308	71,308
Equity loan to a subsidiary[^]			
At the beginning of the year		199,541	225,601
Foreign currency translation loss		(4,340)	(26,060)
At the end of the year		195,201	199,541
Accumulated impairment losses			
At the beginning/end of the year		(38,259)	(38,259)
		156,942	161,282
		875,472	859,365

[^] The equity loan to a subsidiary is unsecured and has no fixed term of repayment. The loan is considered to be part of the investments of the Company for the purposes of providing the subsidiary with a long-term source of additional capital.

NOTES TO THE FINANCIAL STATEMENTS - 31 DECEMBER 2025 (CONT'D)**SECTION 3: INFORMATION ON STATEMENTS OF FINANCIAL POSITION (CONT'D)****3.3 INVESTMENTS IN SUBSIDIARIES (CONT'D)****(e) Subsidiary with non-controlling interests**

DLGR that has non-controlling interests to the Group. The proportion of ownership interest held by non-controlling interests is 0.35% (2024: 0.35%) and related information is as follows:

	Group	
	2025	2024
	RM'000	RM'000
Accumulated non-controlling interests	(38)	(35)
Loss attributable to non-controlling interests	(3)	(7)
Dividend paid to non-controlling interests	-	-

Summarised financial information of the subsidiary, DLGR, which has non-controlling interests in the Group is set out below:

Aggregated assets and liabilities (100%)

Current assets	10,046	10,982
Non-current assets	125,505	128,374
Total assets	135,551	139,356
Current liabilities/Total liabilities	(29,268)	(6,431)
Net assets	106,283	132,925

Aggregated results (100%)

Revenue	46,460	44,218
Loss for the year	(836)	(2,188)

Aggregated cash flows (100%)

Net cash from/(used in):		
- operating activities	7,074	525
- investing activities	(5,423)	(5,163)
- financing activities	(2,819)	5,888
Net (decrease)/increase in cash and cash equivalents	(1,168)	1,250

NOTES TO THE FINANCIAL STATEMENTS - 31 DECEMBER 2025 (CONT'D)**SECTION 3: INFORMATION ON STATEMENTS OF FINANCIAL POSITION (CONT'D)****3.3 INVESTMENTS IN SUBSIDIARIES (CONT'D)****(f) List of subsidiaries**

Listed below are the subsidiaries with their principal activities. The principal places of business of the subsidiaries is in Malaysia and/or incorporated in Malaysia unless otherwise indicated.

Name of companies	Principal activities/ Place of incorporation	Effective proportion of ownership interest	
		2025 %	2024 %
Aco Built System Sdn. Bhd.	Installation of concrete wall panels	100.00	100.00
Acotec Sdn. Bhd.	Manufacturing and sale of concrete wall panels and trading of building materials	100.00	100.00
<i>Subsidiaries of Acotec Sdn. Bhd.</i>			
Acotec-Concrete Products Sdn. Bhd.	Property investment and rental services	100.00	100.00
Malayan AECA Sdn. Bhd.	Manufacturing	100.00	100.00 (c)(i)(3)
PJD Concrete Land (JB) Sdn. Bhd.	Property investment	100.00	100.00
PJD Concrete Land (South) Sdn. Bhd.	Property investment	100.00	100.00
Ancient Capital Sdn. Bhd.	Retail management and operations	100.00 (b)(ii)(6)	100.00
Bindev Sdn. Bhd.	Property development	100.00	100.00

NOTES TO THE FINANCIAL STATEMENTS - 31 DECEMBER 2025 (CONT'D)

SECTION 3: INFORMATION ON STATEMENTS OF FINANCIAL POSITION (CONT'D)

3.3 INVESTMENTS IN SUBSIDIARIES (CONT'D)

(f) List of subsidiaries (Cont'd)

Listed below are the subsidiaries with their principal activities. The principal places of business of the subsidiaries is in Malaysia and/or incorporated in Malaysia unless otherwise indicated. (Cont'd)

Name of companies	Principal activities/ Place of incorporation	Effective proportion of ownership interest	
		2025 %	2024 %
Bunga Development Sdn. Bhd.	Property development	100.00	100.00
<i>Subsidiary of Bunga Development Sdn. Bhd.</i>			
Kulai Management Services Sdn. Bhd.	Provision of property management services	100.00	100.00
DLHA Management Services Sdn. Bhd.	Investment holding	100.00	100.00
Harbour Place Management Services Sdn. Bhd.	Provision of property management services	- (b)(iii)(1)	100.00
HTR Management Services Sdn. Bhd.	Provision of property management services	- (b)(iii)(2)	100.00
Kota Mulia Sdn. Bhd.	Property development and investment	100.00	100.00 (c)(i)(1)
<i>Subsidiaries of Kota Mulia Sdn. Bhd.</i>			
PJD Highland Resort Sdn. Bhd.	Property development	100.00 (b)(ii)(2)	100.00
PTC Management Services Sdn. Bhd.	Provision of property management services	100.00	100.00

NOTES TO THE FINANCIAL STATEMENTS - 31 DECEMBER 2025 (CONT'D)

SECTION 3: INFORMATION ON STATEMENTS OF FINANCIAL POSITION (CONT'D)

3.3 INVESTMENTS IN SUBSIDIARIES (CONT'D)

(f) List of subsidiaries (Cont'd)

Listed below are the subsidiaries with their principal activities. The principal places of business of the subsidiaries is in Malaysia and/or incorporated in Malaysia unless otherwise indicated. (Cont'd)

Name of companies	Principal activities/ Place of incorporation	Effective proportion of ownership interest	
		2025 %	2024 %
OCC Cables Berhad	Investment holding	100.00	100.00
<i>Subsidiary of OCC Cables Berhad</i>			
PJ Exim Sdn. Bhd.	Trading of cable products	100.00	100.00
OSK Construction Sdn. Bhd.	Construction	100.00	100.00
<i>Subsidiary of OSK Construction Sdn. Bhd.</i>			
OSK Engineering Sdn. Bhd.	Provision of engineering services	100.00 (b)(i), (b)(ii)(3)	-
Olympic Cable Company Sdn. Bhd.	Manufacturing and sale of cables and wires	100.00	100.00
Olympic Properties Sdn. Bhd.	Property investment	100.00	100.00
* Pengerang Jaya Pte. Ltd.	Investment holding - Singapore	100.00	100.00
<i>Subsidiary of Pengerang Jaya Pte. Ltd.</i>			
P.J. (A) Pty. Limited	Investment holding and hotel business - Australia	100.00	100.00
PJD Central Sdn. Bhd.	Property development and investment	100.00	100.00

NOTES TO THE FINANCIAL STATEMENTS - 31 DECEMBER 2025 (CONT'D)**SECTION 3: INFORMATION ON STATEMENTS OF FINANCIAL POSITION (CONT'D)****3.3 INVESTMENTS IN SUBSIDIARIES (CONT'D)****(f) List of subsidiaries (Cont'd)**

Listed below are the subsidiaries with their principal activities. The principal places of business of the subsidiaries is in Malaysia and/or incorporated in Malaysia unless otherwise indicated. (Cont'd)

Name of companies	Principal activities/ Place of incorporation	Effective proportion of ownership interest	
		2025 %	2024 %
PJD Eastern Land Sdn. Bhd.	Property development and investment	100.00	100.00
PJD Hartamas Sdn. Bhd.	Property development and investment	100.00	100.00
PJD Hotels Sdn. Bhd.	Investment holding and hotel and restaurant business and oil palm plantation business	100.00	100.00 (c)(i)(4)
<i>Subsidiaries of PJD Hotels Sdn. Bhd.</i>			
Damai Laut Golf Resort Sdn. Bhd.	Development and investment in resort property, hotel and restaurant business and operation of golf course and coconut plantation business	99.65	99.65 (c)(ii)
MM Hotels Sdn. Bhd.	Hotel and restaurant business	100.00	100.00
Swiss-Garden Management Services (MM2H) Sdn. Bhd. (f.k.a. Swiss-Garden Management Services Sdn. Bhd.)	Carry business in MM2H programme and consultancy	100.00	100.00

NOTES TO THE FINANCIAL STATEMENTS - 31 DECEMBER 2025 (CONT'D)**SECTION 3: INFORMATION ON STATEMENTS OF FINANCIAL POSITION (CONT'D)****3.3 INVESTMENTS IN SUBSIDIARIES (CONT'D)****(f) List of subsidiaries (Cont'd)**

Listed below are the subsidiaries with their principal activities. The principal places of business of the subsidiaries is in Malaysia and/or incorporated in Malaysia unless otherwise indicated. (Cont'd)

Name of companies	Principal activities/ Place of incorporation	Effective proportion of ownership interest	
		2025 %	2024 %
PJD Land Sdn. Bhd.	Leasing of office cum commercial building	100.00	100.00
PJD Landmarks Sdn. Bhd.	Property development	100.00	100.00
PJD Management Services Sdn. Bhd.	Provision of property management and facilities services and all aspect of the hotel and restaurant business	100.00	100.00
PJD Pravest Sdn. Bhd.	Cultivation of oil palm	100.00	100.00
PJD Properties Management Sdn. Bhd.	Provision of project management services	- (b)(iii)(3)	100.00
PJD Realty Sdn. Bhd.	Property development	100.00	100.00
PJD Regency Sdn. Bhd.	Property development	100.00	100.00
PJD Sejahtera Sdn. Bhd.	Property development	100.00	100.00
PKM Management Services Sdn. Bhd.	Provision of property management services	100.00	100.00
Putri Kulai Sdn. Bhd.	Property investment	100.00	100.00
SGI Vacation Club Berhad	Operation and management of timeshare membership scheme	100.00 (b)(ii)(4)	100.00

NOTES TO THE FINANCIAL STATEMENTS - 31 DECEMBER 2025 (CONT'D)**SECTION 3: INFORMATION ON STATEMENTS OF FINANCIAL POSITION (CONT'D)****3.3 INVESTMENTS IN SUBSIDIARIES (CONT'D)****(f) List of subsidiaries (Cont'd)**

Listed below are the subsidiaries with their principal activities. The principal places of business of the subsidiaries is in Malaysia and/or incorporated in Malaysia unless otherwise indicated. (Cont'd)

Name of companies	Principal activities/ Place of incorporation	Effective proportion of ownership interest	
		2025 %	2024 %
Superville Sdn. Bhd.	Property investment	100.00	100.00
Swiss-Garden Hotel Management Sdn. Bhd.	Hotel management and consultancy services	100.00	100.00
Swiss-Garden International Sdn. Bhd.	Hotel management and consultancy services	100.00	100.00
Swiss-Garden Rewards Sdn. Bhd.	Marketing of timeshare memberships	100.00 (b)(ii)(5)	100.00
Swiss-Inn JB Sdn. Bhd.	Hotel and restaurant business	100.00	100.00
Vibrant Practice Sdn. Bhd.	Car park management and operations	100.00 (b)(ii)(1)	100.00 (c)(i)(2)

* Audited by firms of auditors other than BDO PLT in Malaysia and BDO member firms.

For the purpose of consolidation, the financial statements of all subsidiaries are prepared for the financial year ended 31 December.

NOTES TO THE FINANCIAL STATEMENTS - 31 DECEMBER 2025 (CONT'D)**SECTION 3: INFORMATION ON STATEMENTS OF FINANCIAL POSITION (CONT'D)****3.4 INVESTMENTS IN ASSOCIATES AND A JOINT VENTURE**

This note provides information on investments accounted for using equity accounting. These investments generate dividend income and contribute to the Group's share of results.

	Note	Group	
		2025	2024
		RM'000	RM'000
Investments in associates			
Unquoted shares outside Malaysia		469,544	469,544
Foreign currency translation differences		(89,808)	(80,024)
		<u>379,736</u>	<u>389,520</u>
Share of reserves, net of dividends received		89,601	100,212
	(c)	<u>469,337</u>	<u>489,732</u>
Investment in a joint venture			
Unquoted shares in Malaysia		18,321	18,321
Share of reserves		(11,727)	(11,266)
	(d)	<u>6,594</u>	<u>7,055</u>
Total		<u>475,931</u>	<u>496,787</u>

The carrying amount is classified under the Property Segment.

(a) Recognition, measurement and significant judgement**Significant judgement**

The Group recorded its investments in associates and a joint venture based on the significant judgements as mentioned below:

The Group assessed the level of influence over Equity & Property Investment Corporation Pty. Limited ("EPIC"), Yarra Park City Pty. Ltd. ("YPC"), and Scotia Acres Sdn. Bhd.. The Group determined that it has significant influence based on its board representations in the associates/joint venture and its effective proportion of ownership in the interests of 27.40%, 41.74%, and 50.00%, respectively. During the previous year, the Group disposed of its entire equity interest in Agile PJD Development Sdn. Bhd. ("Agile"), formerly an associate of the Group, as disclosed in Note (b) below.

NOTES TO THE FINANCIAL STATEMENTS - 31 DECEMBER 2025 (CONT'D)

SECTION 3: INFORMATION ON STATEMENTS OF FINANCIAL POSITION (CONT'D)

3.4 INVESTMENTS IN ASSOCIATES AND A JOINT VENTURE (CONT'D)

(a) Recognition, measurement and significant judgement (Cont'd)

Recognition and measurement

An associate is an entity over which the Group has significant influence but not full control, while a joint venture is a joint arrangement that involves shared control and rights to the net assets of the arrangement. Significant influence or joint control is determined in a manner similar to the control over subsidiaries.

Investments in associates and joint ventures are accounted for using the equity method. Their financial statements are prepared for the same reporting period as the Group, with adjustments made to align with the Group's accounting policies. Under the equity method, investments are initially recognised at cost and are subsequently adjusted for changes in the Group's share of changes in the net assets of the investee, less any impairment losses. Goodwill relating to the investment is embedded in or recognised as a portion of the carrying amount and is not separately recognised. The entire carrying amount of the investment is tested for impairment as a single asset. Any impairment loss or reversal thereof is recognised in the profit or loss as part of the share of results of associates and joint ventures. The Group assesses such investments for impairment annually by comparing the carrying amount to their recoverable amount.

Dividends received from associates and joint ventures are treated as a recovery of the investment. Accordingly, they reduce the carrying amount of the investments in the consolidated statement of financial position. In the consolidated statement of cash flows, these dividends are classified as cash flows from investing activities. In the Company's separate financial statements, where the investment is accounted for at cost, dividends received are recognised as investment income.

The Group's share of results from associates or joint ventures is recognised in the statement of profit or loss. The aggregate share of the profit or loss of associates and joint ventures is presented on the face of the statement of profit or loss, within investing activities. Changes in other comprehensive income and equity of associates or joint ventures are reflected in the Group's other comprehensive income based on the Group's effective share.

The Group has adopted IFRS S2 'Climate-related Disclosures' in the current year. The impairment requirements applicable to investments in associates and a joint venture, which are similar to those for property, plant and equipment, are discussed in Note 3.1(a). The climate-related impairment requirements are discussed in Note 6.3(a)(ii).

NOTES TO THE FINANCIAL STATEMENTS - 31 DECEMBER 2025 (CONT'D)**SECTION 3: INFORMATION ON STATEMENTS OF FINANCIAL POSITION (CONT'D)****3.4 INVESTMENTS IN ASSOCIATES AND A JOINT VENTURE (CONT'D)****(b) Disposal of ordinary shares in Agile by PJD Hartamas Sdn. Bhd. ("PJD Hartamas")**

On 9 September 2024, PJD Hartamas, a wholly-owned subsidiary of the Company, disposed of its entire equity interest, which comprises 3 ordinary shares in Agile, an associate of the Group, for a total consideration of RM3.^

The disposal of shares has the following effects on the Group:

	Note	Group 2024 RM'000
Sale consideration		- ^
Less: Carrying amount of investment		
Initial cost of investment		65,279
Less: Capital repayment		(65,279)
Cost of investment		-
Share of profit of an associate		65,172
Dividend received		(65,100)
		<u>72</u>
Loss on disposal	2.8	<u>(72)</u>

^ negligible

NOTES TO THE FINANCIAL STATEMENTS - 31 DECEMBER 2025 (CONT'D)**SECTION 3: INFORMATION ON STATEMENTS OF FINANCIAL POSITION (CONT'D)****3.4 INVESTMENTS IN ASSOCIATES AND A JOINT VENTURE (CONT'D)****(c) Information on investments in associates**

There were no contingent liabilities relating to the interests in the associates.

Reconciliation of net assets to the carrying amounts of investments in associates of the Group is as follows:

	YPC RM'000	EPIC RM'000	Total RM'000
2025			
Effective proportion of ownership interests in associates	41.74% #	27.40% #	
Share of net assets	356,377	65,931	422,308
Goodwill	69,378	-	69,378
Effect of indirect interests in an associate	-	(22,349)	(22,349)
Carrying amounts	<u>425,755</u>	<u>43,582</u>	<u>469,337</u>
2024			
Effective proportion of ownership interests in associates	41.74% #	27.40% #	
Share of net assets	374,541	68,162	442,703
Goodwill	69,378	-	69,378
Effect of indirect interests in an associate	-	(22,349)	(22,349)
Carrying amounts	<u>443,919</u>	<u>45,813</u>	<u>489,732</u>

For the above reconciliation purpose, the percentages of ownership interests in associates represent the proportion of equity interests in these associates held by the Company. The effective proportion of ownership interest of the associates and a joint venture are disclosed in Note (e) hereinafter.

NOTES TO THE FINANCIAL STATEMENTS - 31 DECEMBER 2025 (CONT'D)**SECTION 3: INFORMATION ON STATEMENTS OF FINANCIAL POSITION (CONT'D)****3.4 INVESTMENTS IN ASSOCIATES AND A JOINT VENTURE (CONT'D)****(c) Information on investments in associates (Cont'd)**

Summarised financial information of the associates is as follows:

	YPC	EPIC
	RM'000	RM'000
2025		
<u>Aggregated assets and liabilities of the associates (100%)</u>		
Current assets	243,411	105,556
Non-current assets	1,209,299	139,891
Total assets	1,452,710	245,447
Current liabilities	(195,816)	(1,217)
Non-current liabilities	(372,291)	(3,602)
Total liabilities	(568,107)	(4,819)
Net assets	884,603	240,628
<u>Aggregated results (100%)</u>		
Revenue	79,918	8,826
Loss for the year attributable to owners of the associates	(23,606)	(547)
Other comprehensive expenses attributable to owners of the associates	(19,905)	(7,593)
Total comprehensive expenses	(43,511)	(8,140)
<u>Net assets attributable to the owners of the associates</u>		
At the beginning of the year	928,114	248,766
Loss for the year	(23,606)	(547)
Other comprehensive expenses	(19,905)	(7,591)
At the end of the year	884,603	240,628

NOTES TO THE FINANCIAL STATEMENTS - 31 DECEMBER 2025 (CONT'D)**SECTION 3: INFORMATION ON STATEMENTS OF FINANCIAL POSITION (CONT'D)****3.4 INVESTMENTS IN ASSOCIATES AND A JOINT VENTURE (CONT'D)****(c) Information on investments in associates (Cont'd)**

Summarised financial information of the associates is as follows: (Cont'd)

	YPC	EPIC	Agile
	RM'000	RM'000	RM'000
			[Note (b)]
2024			
<u>Aggregated assets and liabilities of the associates</u>			
<u>(100%)</u>			
Current assets	278,018	111,963	-
Non-current assets	949,014	142,013	-
Total assets	1,227,032	253,976	-
Current liabilities	(164,505)	(1,070)	-
Non-current liabilities	(134,413)	(4,140)	-
Total liabilities	(298,918)	(5,210)	-
Net assets	928,114	248,766	-
<u>Aggregated results (100%)</u>			
Revenue	66,107	10,997	-
Loss for the year attributable to owners of the associates	(12,920)	(9,861)	(1,772)
Other comprehensive expenses attributable to owners of the associates	(121,822)	(34,691)	-
Total comprehensive expenses	(134,742)	(44,552)	(1,772)
<u>Net assets attributable to the owners of the associates</u>			
At the beginning of the year	1,062,856	293,318	2,010
Loss for the year	(12,920)	(9,861)	(1,772)
Other comprehensive expenses	(121,822)	(34,691)	-
Disposal	-	-	(238)
At the end of the year	928,114	248,766	-

The above information is presented based on the associates' financial statements after accounting for fair value adjustments made upon acquisitions.

NOTES TO THE FINANCIAL STATEMENTS - 31 DECEMBER 2025 (CONT'D)**SECTION 3: INFORMATION ON STATEMENTS OF FINANCIAL POSITION (CONT'D)****3.4 INVESTMENTS IN ASSOCIATES AND A JOINT VENTURE (CONT'D)****(d) Information on investment in a joint venture, Scotia Acres Sdn. Bhd. ("SA")**

There were no contingent liabilities relating to the Group's interests in the joint venture.

Reconciliation of net assets to the carrying amount of investment in a joint venture of the Group is as follows:

	<u>2025</u>	<u>2024</u>
Proportion of ownership interest in a joint venture (%)	50.00	50.00
Share of net assets/Carrying amount (RM'000)	<u>6,594</u>	<u>7,055</u>

Summarised financial information of the joint venture is as follows:

	2025	2024
	RM'000	RM'000
<u>Aggregated assets and liabilities of the joint venture (100%)</u>		
Current assets	1,841	2,137
Non-current assets	36,443	40,611
Total assets	38,284	42,748
Current liabilities	(11,478)	(14,467)
Non-current liabilities	(13,620)	(14,172)
Total liabilities	(25,098)	(28,639)
Net liabilities	<u>13,186</u>	<u>14,109</u>
<u>Aggregated results (100%)</u>		
Revenue	<u>9,904</u>	<u>11,627</u>
(Loss)/Profit for the year/Other comprehensive (expenses)/ income attributable to owners of the joint venture	<u>(423)</u>	<u>39,014</u>
Total comprehensive (expenses)/income	<u>(423)</u>	<u>39,014</u>
<u>Net assets attributable to the owners of the joint venture</u>		
At the beginning of the year	14,109	(2,905)
(Loss)/Profit for the year	(423)	39,014
Dividend paid	(500)	(22,000)
At the end of the year	<u>13,186</u>	<u>14,109</u>

The above information is presented based on the joint venture's financial statements after adjusting for differences in accounting policies between the Group and the joint venture.

NOTES TO THE FINANCIAL STATEMENTS - 31 DECEMBER 2025 (CONT'D)**SECTION 3: INFORMATION ON STATEMENTS OF FINANCIAL POSITION (CONT'D)****3.4 INVESTMENTS IN ASSOCIATES AND A JOINT VENTURE (CONT'D)****(e) List of associates and a joint venture**

Listed below are the associates and a joint venture with their principal activities. The principal place of business of the associates and a joint venture is in Malaysia and/or incorporated in Malaysia unless otherwise indicated.

Name of companies	Principal activities (Place of incorporation)	Effective proportion of ownership interest	
		2025 %	2024 %
Associates			
* Equity & Property Investment Corporation Pty. Limited	Property investment and development (Australia)	27.40	27.40
* Yarra Park City Pty. Ltd.	Property development and investment (Australia)	41.74	41.74
Joint venture			
Scotia Acres Sdn. Bhd.	Property development and investment	50.00	50.00
Subsidiary of Scotia Acres Sdn. Bhd.			
Canggih Pesaka Sdn. Bhd.	Property investment	50.00	50.00

* Audited by firms of auditors other than BDO PLT in Malaysia and BDO member firms.

For the purpose of consolidation, the financial statements of all associates and a joint venture are prepared for the financial year ended 31 December.

NOTES TO THE FINANCIAL STATEMENTS - 31 DECEMBER 2025 (CONT'D)**SECTION 3: INFORMATION ON STATEMENTS OF FINANCIAL POSITION (CONT'D)****3.5 INTANGIBLE ASSETS**

This note provides information on the goodwill and software licences classified as intangible assets.

	Note	Group	
		2025 RM'000	2024 RM'000
Goodwill	(b)(i)	3,859	3,859
Software licences	(b)(ii)	950	782
		<u>4,809</u>	<u>4,641</u>

Carrying amount analysed by business segments:

Property	950	782
Investment Holding	3,859	3,859
	<u>4,809</u>	<u>4,641</u>

(a) Recognition and measurement

Intangible assets are recognised in the statement of financial position when it is probable that future economic benefits will flow to the Group and the Company. These assets, which include goodwill and software licence, are initially measured at cost, representing the fair value of the consideration paid. Subsequently, they are carried at cost less accumulated amortisation and any accumulated impairment losses.

The useful lives of intangible assets are assessed as either finite or indefinite.

(i) Goodwill

Goodwill arising from a business combination is recognised as an asset at the acquisition date. It is initially measured at cost, being the excess of the sum of the consideration transferred, the amount of any non-controlling interest in the acquiree, and the fair value of any previously held equity interest in the entity over the acquisition-date amounts of the identifiable assets acquired and the liabilities assumed. If, after reassessment, the Group's interest in the fair value of the acquiree's identifiable net assets exceeds the sum of the consideration transferred, the non-controlling interest in the acquiree, and the fair value of any previously held equity interest, the excess is recognised immediately in the statement of profit or loss as a bargain purchase gain.

NOTES TO THE FINANCIAL STATEMENTS - 31 DECEMBER 2025 (CONT'D)

SECTION 3: INFORMATION ON STATEMENTS OF FINANCIAL POSITION (CONT'D)

3.5 INTANGIBLE ASSETS (CONT'D)

(a) Recognition and measurement (Cont'd)

(i) Goodwill (Cont'd)

After initial recognition, goodwill is measured at cost less accumulated impairment losses, if any. Goodwill is not amortised but instead tested for impairment annually or more frequently if events or changes in circumstances indicate that the carrying amount could be impaired. Objective events that would trigger a more frequent impairment review include adverse industry or economic trends, significant restructuring actions, significantly lowered projections of profitability, or a sustained decline in the acquiree's market capitalisation. Gains and losses on the disposal of an entity include the carrying amount of goodwill relating to the entity sold.

(ii) Software licence

Software licence is capitalised based on the costs incurred to acquire and implement the specific software. The costs are amortised on a straight-line basis over their estimated useful life of 6 to 10 years. Amortisation expense on intangible assets with finite lives is recognised in the statement of profit or loss within the expense category that aligns with the function of the intangible asset. The estimated useful life represents the common life expectancy applied in the industry within which the Group and the Company operate. The residual value, useful life and amortisation method for an intangible asset with a finite useful life are reviewed at least annually to ensure that the amount, method and period of amortisation are consistent with previous estimates and the expected pattern of consumption of the future economic benefits embodied.

An intangible asset is derecognised upon disposal (i.e. when the recipient obtains control) or when no future economic benefits are expected from its use or disposal. Any gain or loss arising upon derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of profit or loss.

The Group has adopted IFRS S2 'Climate-related Disclosures' in the current year. Impairment requirements applicable to intangible assets, which are similar to those for property, plant and equipment, are discussed in Note 3.1(a). The climate-related impairment requirements are discussed in Note 6.3(a)(ii).

NOTES TO THE FINANCIAL STATEMENTS - 31 DECEMBER 2025 (CONT'D)

SECTION 3: INFORMATION ON STATEMENTS OF FINANCIAL POSITION (CONT'D)

3.5 INTANGIBLE ASSETS (CONT'D)

(b) Other information

	Note	Group	
		2025 RM'000	2024 RM'000
(i) <u>Goodwill</u>			
Cost			
At the beginning/end of the year		5,909	5,909
Accumulated impairment loss			
At the beginning/end of the year		(2,050)	(2,050)
		<u>3,859</u>	<u>3,859</u>
(ii) <u>Software licences</u>			
Cost			
At the beginning of the year		825	-
Addition	1.3(a),(b)	269	825
At the end of the year		<u>1,094</u>	<u>825</u>
Accumulated amortisation			
At the beginning of the year		(43)	-
Amortisation	2.4,2.9(b)	(101)	(43)
At the end of the year		<u>(144)</u>	<u>(43)</u>
Net carrying amount		<u>950</u>	<u>782</u>
(iii) <u>Impairment testing for CGU containing goodwill</u>			

Goodwill arising from business combinations has been allocated to two individual CGU for impairment testing as follows:

	Industries RM'000	Hospitality RM'000	Total RM'000
Goodwill, at the beginning/end of the year	2,183	1,676	<u>3,859</u>

For the purpose of impairment assessment, goodwill is allocated to the Group's CGU, which represents the lowest level within the Group at which the goodwill is monitored for internal management purposes.

NOTES TO THE FINANCIAL STATEMENTS - 31 DECEMBER 2025 (CONT'D)

SECTION 3: INFORMATION ON STATEMENTS OF FINANCIAL POSITION (CONT'D)

3.5 INTANGIBLE ASSETS (CONT'D)

(b) Other information (Cont'd)

(iii) Impairment testing for CGU containing goodwill (Cont'd)

Recoverable amounts of the CGU are determined based on value-in-use calculations. Value-in-use of CGU is determined by discounting the future cash flows generated from the continuing use of the unit based on actual operating results and management's assessment of future trends in the industry derived from both external sources and internal sources (internal data). The key assumptions used in the value-in-use calculations were as follows:

- (1) Average annual revenue growth rates used in the cash flow projections of the CGU ranged from 30% to 1879% (2024: 7% to 22%) per annum;
- (2) Average gross profit margin used in the cash flow projections of the CGU ranged from 34% to 36% (2024: 34% to 61%) per annum; and
- (3) A pre-tax discount rate of 7.95% (2024: 6.4%) was applied to the cash flow projections. The discount rate was estimated based on the weighted average cost of capital.

With regards to the assessment of value-in-use, the management is of the view that no reasonably possible change in any of the above key assumptions would cause the carrying amount of the goodwill to further exceed its recoverable amount.

NOTES TO THE FINANCIAL STATEMENTS - 31 DECEMBER 2025 (CONT'D)**SECTION 3: INFORMATION ON STATEMENTS OF FINANCIAL POSITION (CONT'D)****3.6 RIGHT-OF-USE ASSETS/(LEASE LIABILITIES)**

This note details the leases in which the Group acts as lessees, covering lease contracts for spaces such as sales galleries, offices, factories and plantation land based on business needs. Lease contracts are generally established for fixed periods. Leases where the Group is a lessor are disclosed under lease receivables and operating lease commitments in Notes 3.9 and 5.1(a), respectively.

	Note	Group	
		2025 RM'000	2024 RM'000
Right-of-use assets			
Non-current			
Leasehold land	(b)(i)	39,859	40,076
Lease of premises and office space	(b)(ii)	3,533	5,267
		<u>43,392</u>	<u>45,343</u>
Lease liabilities			
Non-current		1,047	2,586
Current		2,577	2,766
	(c),1.4, 1.8(b)(ii), 3.17(e)(iii)	<u>3,624</u>	<u>5,352</u>

Carrying amount analysed by business segments:

Right-of-use assets			
Property		31,538	33,624
Industries		5,618	5,142
Hospitality		6,236	6,577
		<u>43,392</u>	<u>45,343</u>
Lease liabilities			
Property		1,863	3,900
Industries		1,499	931
Hospitality		262	521
		<u>3,624</u>	<u>5,352</u>

NOTES TO THE FINANCIAL STATEMENTS - 31 DECEMBER 2025 (CONT'D)**SECTION 3: INFORMATION ON STATEMENTS OF FINANCIAL POSITION (CONT'D)****3.6 RIGHT-OF-USE ASSETS/(LEASE LIABILITIES) (CONT'D)****(a) Recognition, measurement and significant judgement**

Leases are recognised as right-of-use assets and corresponding lease liabilities when they are made available for use. Lease contracts include lease and non-lease components, which are allocated based on their relative stand-alone prices. For real estate leases, the Group applies the practical expedient in MFRS 16 'Leases' to account for each lease and its associated non-lease components as a single lease component. Lease terms vary and may contain security interests in leased assets. In determining the lease term, all relevant factors that create an economic incentive to exercise an extension or termination option are considered. Any revision to the lease term results in the remeasurement of the corresponding lease liability. Leases with a term of 12 months or less (short-term leases) and leases of low-value assets (RM20,000 or below) are recognised as an expense on a straight-line basis over the lease term.

(i) Right-of-use assets

Right-of-use assets are recognised in the statement of financial position when future economic benefits are probable. Right-of-use assets are initially measured at cost, including the lease liability, advance payments, direct costs, and restoration estimates. Subsequently, they are measured at cost less accumulated depreciation and any impairment losses.

Depreciation is calculated on a straight-line basis to write off the cost of each asset from the commencement date to the earlier of the estimated useful life or the end of the lease term. The estimated useful life and the lease terms are as follows:

	Years	Percentage
		(%)
Leasehold land	43 - 98	1 - 2
Lease of premises and office space	1.5 - 3	33 - 67

Following a similar impairment assessment as discussed in Note 3.1(a), the recoverable amount of right-of-use assets is determined based on the value-in-use of the CGU, by discounting future cash flow projections. Significant judgement is required in estimating future results, key assumptions, growth rates, and discount rates.

The Group has adopted IFRS S2 'Climate-related Disclosures' in the current year. The impairment requirements applicable to right-of-use assets, which are similar to those for property, plant and equipment, as discussed in Note 3.1(a). The climate-related impairment requirements are discussed in Notes 6.3(a)(ii) and (v).

NOTES TO THE FINANCIAL STATEMENTS - 31 DECEMBER 2025 (CONT'D)

SECTION 3: INFORMATION ON STATEMENTS OF FINANCIAL POSITION (CONT'D)

3.6 RIGHT-OF-USE ASSETS/(LEASE LIABILITIES) (CONT'D)

(a) Recognition, measurement and significant judgement (Cont'd)

(i) Right-of-use assets (Cont'd)

Any gain or loss arising from the derecognition of a right-of-use asset is recognised in the statement of profit or loss as other operating income or loss, except where such derecognition occurs as part of a sale and leaseback transaction within the scope of MFRS 16.

(ii) Lease liabilities

Lease liabilities are classified as financial liabilities measured at amortised cost and are recognised when the related financial obligation arises. They are initially measured at fair value, being the present value of the unpaid lease payments at the commencement date. The lease payments are discounted using the interest rate implicit in the lease, or if that rate cannot be readily determined, the Group's incremental borrowing rate.

The measurement of lease liabilities includes the following components:

- Fixed payments (less any lease incentives receivables)
- Variable payments based on an index/rate
- Expected payments under residual value guarantees
- Purchase option prices (if likely to be exercised)
- Penalties for early termination

After initial recognition, lease liabilities are measured at amortised cost as described in Note 3.17(a)(ii). Lease payments are divided into principal and finance costs, with finance costs charged to the statement of profit or loss over the lease period as interest expense on lease liabilities. Lease liabilities are presented as a separate item in the statement of financial position.

Adjustments to the carrying amount of lease liabilities are made against the related right-of-use assets if there are modifications, changes in lease term or payments, or changes in purchase option assessments.

The Group adopted IFRS S2 'Climate-related Disclosures' in the current year, and the relevant requirements on lease liabilities are discussed in Note 6.3(a)(v).

NOTES TO THE FINANCIAL STATEMENTS - 31 DECEMBER 2025 (CONT'D)**SECTION 3: INFORMATION ON STATEMENTS OF FINANCIAL POSITION (CONT'D)****3.6 RIGHT-OF-USE ASSETS/(LEASE LIABILITIES) (CONT'D)****(b) Movement of right-of-use assets**

	Note	Group	
		2025 RM'000	2024 RM'000
(i) Leasehold land			
Cost			
At the beginning of the year		49,749	49,749
Additions	1.3(a),(b)	88	-
At the end of the year		<u>49,837</u>	<u>49,749</u>
Accumulated depreciation			
At the beginning of the year		9,673	9,358
Charge for the year		305	315
At the end of the year		<u>9,978</u>	<u>9,673</u>
Net carrying amount		<u>39,859</u>	<u>40,076</u>

Leasehold land with a total carrying amount of RM0.4 million (2024: RM0.4 million) is pledged as security [Note 3.17(c)] for borrowings granted to a subsidiary.

NOTES TO THE FINANCIAL STATEMENTS - 31 DECEMBER 2025 (CONT'D)

SECTION 3: INFORMATION ON STATEMENTS OF FINANCIAL POSITION (CONT'D)

3.6 RIGHT-OF-USE ASSETS/(LEASE LIABILITIES) (CONT'D)

(b) Movement of right-of-use assets (Cont'd)

	Note	Group	
		2025 RM'000	2024 RM'000
(ii) Lease of premises and office space			
Cost			
At the beginning of the year		8,298	6,608
Additions		2,586	4,906
Reassessments and modifications of leases		(3,551)	(3,216)
At the end of the year		<u>7,333</u>	<u>8,298</u>
Accumulated depreciation			
At the beginning of the year		3,031	3,155
Charge for the year		3,007	3,048
Reassessments and modifications of leases		(2,238)	(3,172)
At the end of the year		<u>3,800</u>	<u>3,031</u>
Net carrying amount		<u>3,533</u>	<u>5,267</u>
Recognised in profit or loss and classified under:			
Depreciation of right-of-use assets:			
- Cost of sales	2.2(b),2.9(a)	563	533
- General and administrative expenses	2.4,2.9(a)	2,749	2,829
		<u>3,312</u>	<u>3,362</u>

NOTES TO THE FINANCIAL STATEMENTS - 31 DECEMBER 2025 (CONT'D)**SECTION 3: INFORMATION ON STATEMENTS OF FINANCIAL POSITION (CONT'D)****3.6 RIGHT-OF-USE ASSETS/(LEASE LIABILITIES) (CONT'D)****(c) Movement of lease liabilities**

	Note	Group	
		2025 RM'000	2024 RM'000
At the beginning of the year		5,352	3,510
Additions		2,586	4,906
Interest recognised in profit or loss as finance costs	2.13	202	246
Reassessments and modifications of leases		(1,344)	(82)
Payment of:			
- principal		(2,970)	(2,982)
- interest		(202)	(246)
	3.17(e)(iii)	(3,172)	(3,228)
At the end of the year	3.17(e)(iii)	3,624	5,352
Recognised in profit or loss and classified under:			
Interest expense on lease liabilities:			
- Finance costs	2.13	202	246

(d) Other information

	Note	Group	
		2025 RM'000	2024 RM'000
(i) Recognised in profit or loss and classified under:			
Rental expenses for short-term leases:			
- General and administrative expenses	2.4	735	540
Rental expenses for lease of low-value assets:			
- General and administrative expenses	2.4	73	51

(ii) The liquidity risk of the lease liabilities is disclosed in Note 1.8(a).

(iii) The weighted average incremental borrowing rates of the lease liabilities of the Group ranged from 2.37% to 5.28% (2024: 2.37% to 4.85%).

NOTES TO THE FINANCIAL STATEMENTS - 31 DECEMBER 2025 (CONT'D)**SECTION 3: INFORMATION ON STATEMENTS OF FINANCIAL POSITION (CONT'D)****3.7 INVENTORIES**

This note provides information about the inventories held by the Group, which consist of land banks, stocks for ongoing and completed projects under the Property Development Division, manufacturing stocks under the Industries Segment (Olympic Cable and Acotec IBS), and consumables under the Hospitality Segment.

	Note	Group	
		2025 RM'000	2024 RM'000
Non-current			
Land held for property development	(b)(i)	77,765	67,457
Current			
Property development expenditure	(b)(ii)	21,847	33,778
Completed properties held for sale	(b)(iii)	3,831	3,829
Manufacturing stocks	(b)(iv)	107,039	71,077
Hotels and resorts consumables	(b)(v)	912	639
Total current		133,629	109,323
Total		211,394	176,780
Carrying amount analysed by business segments:			
Property		103,443	105,064
Industries		107,039	71,077
Hospitality		912	639
		211,394	176,780

(a) Recognition, measurement and significant judgement**(i) Land held for property development**

Land held for property development consists of land where no development activities have been carried out or where development activities are not expected to be completed within the normal operating cycle. Such land is recognised in the statement of financial position when expenditure is incurred and is measured at the lower of cost and net realisable value. Costs associated with the acquisition of land include the purchase price of the land, professional fees, stamp duties, commissions, conversion fees and other relevant levies.

Land held for property development is reclassified as property development expenditure when development activities have commenced and where it can be demonstrated that the development activities are expected to be completed within the normal operating cycle.

NOTES TO THE FINANCIAL STATEMENTS - 31 DECEMBER 2025 (CONT'D)

SECTION 3: INFORMATION ON STATEMENTS OF FINANCIAL POSITION (CONT'D)

3.7 INVENTORIES (CONT'D)

(a) Recognition, measurement and significant judgement (Cont'd)

(ii) Property development expenditure

Property development expenditures that are incurred but not recognised as an expense in the statement of profit or loss are recognised as an asset measured at the lower of cost and net realisable value.

Property development expenditure comprises all costs that are directly attributable to development activities or that can be allocated on a reasonable basis to such activities. Such development expenditure comprises the costs of land under development, construction costs and other related development costs common to the whole project, including professional fees, stamp duties, commissions, conversion fees and other relevant levies, as well as borrowing costs.

Property development revenue and costs, as disclosed in Notes 2.1(a)(i)(1) and 2.2(a)(i), respectively, are recognised in the statement of profit or loss by reference to the progress towards complete satisfaction of that performance obligation at the reporting period, generally known as the percentage of completion method. Progress is measured based on direct measurements of the value transferred to the purchasers and the inputs applied towards satisfying the performance obligation.

Significant judgement is required in determining the completeness and accuracy of the budgets and the extent of the costs incurred. Substantial changes in cost estimates may have a material effect on profitability in future periods. In making this judgement, it relies on experience and the work of specialists.

(iii) Completed properties held for sale

The completed properties held for sale are recognised in the statement of financial position when such properties are completed with certificates of completion and compliance and are measured at the lower of cost and net realisable value.

(iv) Manufacturing stocks; and hotels and resorts consumables

Raw materials under manufacturing stocks are recognised in the statement of financial position upon receipt of the goods, while other manufacturing stocks are recognised when the goods are ready for delivery to customers. Consumables are recognised when the related costs are incurred. Manufacturing stocks and consumables are accounted for using the weighted average cost basis and are measured at the lower of cost and net realisable value.

NOTES TO THE FINANCIAL STATEMENTS - 31 DECEMBER 2025 (CONT'D)**SECTION 3: INFORMATION ON STATEMENTS OF FINANCIAL POSITION (CONT'D)****3.7 INVENTORIES (CONT'D)****(a) Recognition, measurement and significant judgement (Cont'd)**

Cost consists of costs associated with the acquisition of land, direct costs and appropriate proportions of common costs attributable to developing the properties until completion.

Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale. The estimate of net realisable value is based on the most reliable evidence available at the time of assessment regarding the amount the inventories are expected to realise.

The Group adopted IFRS S2 'Climate-related Disclosures' in the current year, and the relevant impairment requirements on inventories are discussed in Note 6.3(a)(vi) and hereinafter. In line with the Group's adoption of IFRS S2 'Climate-related Disclosures', the Group also considers the potential impact of climate-related risks and uncertainties when assessing the recoverability of inventories measured at the lower of cost and net realisable value. Such considerations include both physical climate-related risks, such as damage to inventories arising from extreme weather events, and transition climate-related risks, including changes in customer demand, raw material sourcing constraints, increased costs of completion, or regulatory and policy changes that may affect the usability, marketability or obsolescence of inventories.

For property development inventories, the Group assesses climate-related factors such as changes in customer preferences, regulatory or planning requirements, and prolonged adverse weather conditions that may disrupt construction activities. In response, management considers the impact of such factors on project timelines, expected selling prices, sales velocity and costs of completion when estimating net realisable value, including through regular project cost reviews and updates to sales and construction forecasts.

For manufacturing inventories, including raw materials, work-in-progress, finished goods and consumables, the Group evaluates transition risks such as supply chain disruptions, sourcing constraints and increases in input costs arising from climate-related policies or market changes. The Group also considers physical climate-related risks, including heatwaves, flooding and water scarcity, which may disrupt production activities, affect storage conditions or damage inventories. Management addresses these risks by monitoring supplier availability, input cost trends and alternative sourcing arrangements, and reflects the effects of such factors in assessing costs of completion and recoverability of inventories.

NOTES TO THE FINANCIAL STATEMENTS - 31 DECEMBER 2025 (CONT'D)**SECTION 3: INFORMATION ON STATEMENTS OF FINANCIAL POSITION (CONT'D)****3.7 INVENTORIES (CONT'D)****(a) Recognition, measurement and significant judgement (Cont'd)**

For hotel and resort consumables, the Group considers physical climate-related risks, such as flooding or extreme weather events, that may result in damage, spoilage or obsolescence of inventories. The Group also considers transition risks, including changes in sustainability regulations, shifts in guest preferences towards environmentally responsible operations, and increased costs associated with sustainable sourcing and waste management practices, which may affect the usability and demand for certain consumables. Mitigation measures, including inventory rotation, storage controls and insurance coverage, are considered when the assessment of net realisable value, where relevant.

Where climate-related factors indicate that the cost of inventories may no longer be recoverable, inventories are written down to their net realisable value in accordance with MFRS 102 'Inventories', with any write-down recognised in the statement of profit or loss. Management applies judgement in assessing the extent to which climate-related risks affect net realisable value, taking into account conditions and information available. Based on the assessment performed, the Group evaluates whether climate-related factors have a material impact on the measurement of inventories for the reporting period.

(b) Other information

	Note	Group	
		2025 RM'000	2024 RM'000
(i) Land held for property development			
<u>Freehold and leasehold land</u>			
At the beginning of the year		51,633	51,639
Costs incurred		1,030	-
Reclassified to property development expenditure	(b)(ii)	-	(6)
At the end of the year		<u>52,663</u>	<u>51,633</u>
<u>Development expenditure</u>			
At the beginning of the year		15,824	15,572
Costs incurred		9,278	3,679
Reclassified to property development expenditure	(b)(ii)	-	(3,427)
At the end of the year		<u>25,102</u>	<u>15,824</u>
Total non-current		<u>77,765</u>	<u>67,457</u>

NOTES TO THE FINANCIAL STATEMENTS - 31 DECEMBER 2025 (CONT'D)

SECTION 3: INFORMATION ON STATEMENTS OF FINANCIAL POSITION (CONT'D)

3.7 INVENTORIES (CONT'D)

(b) Other information (Cont'd)

(i) Land held for property development (Cont'd)

As disclosed in Note 2.12, interest of RM0.01 million was capitalised during the year, which was calculated based on an interest rate 4.58%.

Included in land held for property development of a subsidiary is an amount of RM5.4 million (2024: RM5.4 million) that are pledged to financial institutions for term loans of the subsidiary as disclosed in Note 3.17(c).

	Note	Group	
		2025 RM'000	2024 RM'000
(ii) Property development expenditure			
<u>Freehold and leasehold land</u>			
At the beginning of the year		34,374	34,368
Reclassified from land held for property development	(b)(i)	-	6
Reversal of development expenditure for completed projects		(2)	-
At the end of the year		<u>34,372</u>	<u>34,374</u>
<u>Development expenditure</u>			
At the beginning of the year		191,144	152,866
Costs incurred		1,632	34,851
Reclassified from land held for property development	(b)(i)	-	3,427
At the end of the year		<u>192,776</u>	<u>191,144</u>
Total property development expenditure incurred		<u>227,148</u>	<u>225,518</u>
<u>Costs recognised in profit or loss</u>			
At the beginning of the year		(191,740)	(154,927)
Recognised in profit or loss	2.2	(13,563)	(36,813)
Reversal of development expenditure for completed projects		2	-
At the end of the year		<u>(205,301)</u>	<u>(191,740)</u>
Net carrying amount of property development expenditure		<u>21,847</u>	<u>33,778</u>

NOTES TO THE FINANCIAL STATEMENTS - 31 DECEMBER 2025 (CONT'D)

SECTION 3: INFORMATION ON STATEMENTS OF FINANCIAL POSITION (CONT'D)

3.7 INVENTORIES (CONT'D)

(b) Other information (Cont'd)

(ii) Property development expenditure (Cont'd)

As disclosed in Note 2.12, interest of RM0.03 million (2024: RM0.05 million) was capitalised during the year, which was calculated based on an interest rate 4.72% (2024: 4.84%).

	Group	
	2025	2024
	RM'000	RM'000
(iii) Completed properties held for sale		
At cost	3,596	3,594
At net realisable value	235	235
	<u>3,831</u>	<u>3,829</u>
(iv) Manufacturing stocks		
<u>At cost</u>		
- Consumables	1,597	505
- Finished goods	61,388	46,701
- Raw materials	21,939	10,916
- Work-in-progress	19,896	9,836
	<u>104,820</u>	<u>67,958</u>
<u>At net realisable value</u>		
- Finished goods	1,497	2,643
- Raw materials	722	476
	<u>2,219</u>	<u>3,119</u>
Net carrying amount of manufacturing stocks	<u>107,039</u>	<u>71,077</u>
(v) Hotels and resorts consumables, at cost	<u>912</u>	<u>639</u>

NOTES TO THE FINANCIAL STATEMENTS - 31 DECEMBER 2025 (CONT'D)**SECTION 3: INFORMATION ON STATEMENTS OF FINANCIAL POSITION (CONT'D)****3.8 DEFERRED TAX ASSETS/(LIABILITIES)**

This note provides information on the recognition of deferred tax assets and liabilities.

	Note	Group	
		2025 RM'000	2024 RM'000
Deferred tax assets	(b)(i)	24,147	25,538
Deferred tax liabilities	(b)(ii)	(11,885)	(9,390)

Carrying amount analysed by business segments:

	Group			
	Deferred tax assets		Deferred tax liabilities	
	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
Property	11,718	10,528	(4,737)	(4,871)
Industries	12	-	(7,148)	(4,519)
Hospitality	12,417	15,010	-	-
	24,147	25,538	(11,885)	(9,390)

(a) Recognition and measurement

Deferred tax is calculated on temporary differences between the tax base and the carrying amount of assets and liabilities. It is recognised using enacted tax rates. Deferred tax assets are recognised when it is probable there will be future taxable profit to use them. Judgement is needed to estimate the amount of deferred tax assets. Deferred tax assets and liabilities can be offset if they are from the same tax authority on the same company.

In applying MFRS 112 'Income Taxes', the Group recognises deferred tax assets for deductible temporary differences, including unused tax losses to the extent that it is probable that future taxable profits will be available against which such amounts can be utilised. The assessment of recoverability requires significant judgement and estimates of future taxable profits.

NOTES TO THE FINANCIAL STATEMENTS - 31 DECEMBER 2025 (CONT'D)

SECTION 3: INFORMATION ON STATEMENTS OF FINANCIAL POSITION (CONT'D)

3.8 DEFERRED TAX ASSETS/(LIABILITIES) (CONT'D)

(a) Recognition and measurement (Cont'd)

In line with the Group's adoption of IFRS S2 'Climate-related Disclosures', the Group also considers the potential impact of climate-related risks and uncertainties when estimating future taxable profits used to support the recognition of deferred tax assets. Such considerations may include both physical and transition climate-related risks that could affect the Group's operating performance, cost structure, demand for products and services, regulatory compliance requirements or capital expenditure plans, and consequently its future profitability.

The assumptions applied in forecasting future taxable profits, including those affected by climate-related factors, are consistent with the assumptions used in other forward-looking information prepared for financial reporting purposes and with those disclosed in the Group's climate-related narrative disclosures, where applicable. Where changes in climate-related assumptions indicate that sufficient future taxable profits may no longer be probable, deferred tax assets are not recognised or are derecognised in accordance with MFRS 112.

Based on the assessment performed, the Group evaluates at each reporting date whether climate-related factors have a material impact on the recoverability of deferred tax assets and updates its estimates and disclosures as appropriate.

The Group adopted IFRS S2 'Climate-related Disclosures' in the current year, and the relevant requirements on deferred tax are discussed in Note 6.3(a)(vii).

NOTES TO THE FINANCIAL STATEMENTS - 31 DECEMBER 2025 (CONT'D)

SECTION 3: INFORMATION ON STATEMENTS OF FINANCIAL POSITION (CONT'D)

3.8 DEFERRED TAX ASSETS/(LIABILITIES) (CONT'D)

(b) The components and movements of deferred tax assets and liabilities:

Group

	As at 1.1.2024	Deferred tax recognised in profit or loss for 2024 (Note 2.14)	As at 31.12.2024 /1.1.2025	Deferred tax recognised in profit or loss for 2025 (Note 2.14)	As at 31.12.2025
	RM'000	RM'000	RM'000	RM'000	RM'000
(i) Deferred tax assets					
Excess of depreciation over capital allowances	530	-	530	(3)	527
Interest capitalised in inventories	7,457	-	7,457	(377)	7,080
Unused tax losses and unabsorbed capital allowances	4,488	554	5,042	(2,749)	2,293
Deferred income	16,919	(1,586)	15,333	(2,378)	12,955
Provisions	2,507	2,600	5,107	279	5,386
Total deferred tax assets	31,901	1,568	33,469	(5,228)	28,241
Offset [Note b(ii)]	(3,811)	(4,120)	(7,931)	3,837	(4,094)
Net deferred tax assets	28,090	(2,552)	25,538	(1,391)	24,147
(ii) Deferred tax liabilities					
Excess of capital allowances over depreciation	(11,222)	(6,099)	(17,321)	1,342	(15,979)
Offset [Note b(i)]	3,811	4,120	7,931	(3,837)	4,094
Net deferred tax liabilities	(7,411)	(1,979)	(9,390)	(2,495)	(11,885)

(c) Other information

On 29 December 2023, the Malaysian Parliament gazetted the Organisation for Economic Co-operation and Development (OECD) Pillar Two ("Pillar Two") legislation through the Finance Act (No. 2) 2023. The legislation takes effect for financial years beginning on or after 1 January 2025. Based on its assessment, the Group falls within the scope of the enacted Pillar Two legislation and has applied the mandatory exception to recognise and disclose information about deferred tax assets and liabilities related to Pillar Two income taxes, in accordance with the amendments to MFRS 112.

NOTES TO THE FINANCIAL STATEMENTS - 31 DECEMBER 2025 (CONT'D)**SECTION 3: INFORMATION ON STATEMENTS OF FINANCIAL POSITION (CONT'D)****3.8 DEFERRED TAX ASSETS/(LIABILITIES) (CONT'D)****(c) Other information (Cont'd)**

As disclosed in Notes 1.3(b) and 2.14(b) to the financial statements, the Group is exposed to Pillar Two legislation through its diversified business portfolio across multiple jurisdictions. All jurisdictions in which the Group operates have an effective tax rate exceeding 15%. Accordingly, the implementation of the Pillar Two legislation does not have a material impact on the Group or its effective tax rate.

The temporary differences for which no deferred tax assets have been recognised in the statements of financial position are as follows:

	Group	
	2025	2024
	RM'000	RM'000
Deductible temporary differences	36,837	72,530
Taxable temporary differences	(101,739)	(97,394)
Unused tax losses	101,822	104,165
Unutilised capital allowances	192,791	192,529
	229,711	271,830

Deferred tax assets of certain subsidiaries have not been recognised in respect of these items, as it is not probable that taxable profits of the subsidiaries will be available against which the deductible temporary differences can be utilised. The amount and the availability of these items to be carried forward are subject to the agreement of the relevant tax authorities.

The unused tax losses are analysed by expiry year of assessment:

	Group	
	2025	2024
	RM'000	RM'000
Year of assessment 2028	25,067	25,285
Year of assessment 2029	10,016	10,506
Year of assessment 2030	19,040	20,015
Year of assessment 2031	13,670	13,670
Year of assessment 2032	21,125	23,415
Year of assessment 2033	5,961	6,529
Year of assessment 2034	4,739	4,745
Year of assessment 2035	2,204	-
	101,822	104,165

In Malaysia, with effect from 1 January 2022, any unused tax losses from the year of assessment 2019 are available for deduction for a maximum period of ten consecutive years of assessment immediately following that year of assessment. Any amount remaining unutilised at the end of the ten-year assessment period shall be disregarded.

NOTES TO THE FINANCIAL STATEMENTS - 31 DECEMBER 2025 (CONT'D)**SECTION 3: INFORMATION ON STATEMENTS OF FINANCIAL POSITION (CONT'D)****3.9 TRADE RECEIVABLES**

This note outlines the Group's trade receivables including the relevant measurement and recognition treatment, as well as its credit risk management practices.

	Note	Group	
		2025 RM'000	2024 RM'000
Non-current			
Property progress billings receivables		-	12,308
Current			
Property progress billings receivables		21,968	8,903
Lease receivables		352	33
Manufacturing receivables		159,774	154,320
Hotels receivables		3,078	3,654
Membership fee receivables		1,104	1,059
Other trade receivables		1,045	1,537
		187,321	169,506
Allowances for impairment losses:			
- Collective assessment	(b)(i)	(3,455)	(5,452)
- Individual assessment	(b)(i)	(4,355)	(5,648)
Total current		179,511	158,406
Total	1.8(b)(ii)	179,511	170,714
Carrying amount analysed by business segments:			
Property		23,110	22,657
Industries		152,252	143,375
Hospitality		4,149	4,682
		179,511	170,714

(a) Recognition, measurement and significant judgement

The Group's business mainly involves developing and selling properties, leasing commercial space, manufacturing and selling cables and IBS wall panels, letting hotel rooms and managing hotels and holdings investment. The related revenue recognition is disclosed in Note 2.1.

NOTES TO THE FINANCIAL STATEMENTS - 31 DECEMBER 2025 (CONT'D)**SECTION 3: INFORMATION ON STATEMENTS OF FINANCIAL POSITION (CONT'D)****3.9 TRADE RECEIVABLES (CONT'D)****(a) Recognition, measurement and significant judgement (Cont'd)**

Trade receivables are financial assets with fixed or determinable collections (repayments) and are classified as amortised cost assets. These trade receivables are recognised in the statement of financial position upon issuance of billing to customers. Trade receivables are initially measured at fair value, representing the amount of goods and services provided based on invoice amounts. Subsequently, they are measured at amortised cost as described in Note (a)(v) below. Revenue (Note 2.1), allowance for impairment losses (Note 2.6) and any gain or loss arising from derecognition of trade receivables are recognised in the statement of profit or loss.

The Group adopted IFRS S2 'Climate-related Disclosures' in the current year, and the relevant requirements on trade receivables are discussed in Note 6.3(a)(viii).

(i) Credit risk management practices

Assessment is carried out to determine whether the credit risk of a customer has increased significantly since initial recognition. This assessment considers certain criteria, including the ageing of days past due, collateral values where applicable and the latest customer financial standing. The Group compares the risk of a default occurring in the portfolio as at the end of the year with the risk of a default occurring in the portfolio as at the date when such customer was initially recognised. In making this assessment, the Group considers both quantitative and qualitative information that is reasonable and supportable, including historical experience and observable forward-looking information without undue cost or effort.

In relation to the rebuttable presumption, the credit risk on a financial asset is considered to have increased significantly since initial recognition when contractual payments are more than 30 days past due. The clients' repayment behaviour is reviewed and compared it with the industry's normal credit period and supply chain cycle and determined that payments take longer than 30 days.

A receivable is considered to be in default when such a customer fails to perform its obligation to make payment within the period granted.

The expected credit loss is recognised from the date of initial recognition of a receivable using a single-stage lifetime expected credit loss. This represents a 'simplified approach' under MFRS 9. Under this approach, there is no requirement to monitor changes in the credit risk of financial assets as described in the 'general approach' in Note 3.10(a)(iii). The simplified approach is mandatory for trade receivables or contract assets resulting from transactions that fall within the scope of MFRS 15 'Revenue from Contracts with Customers' and do not contain a significant financing component. This simplified approach may also apply to trade receivables and contract assets with a significant financing component under MFRS 15; and to lease receivables accounted for under MFRS 16, where the accounting policy to measure the loss allowance at an amount equal to lifetime expected credit losses. Receivables are assessed individually for impairment loss at the end of each reporting period.

NOTES TO THE FINANCIAL STATEMENTS - 31 DECEMBER 2025 (CONT'D)

SECTION 3: INFORMATION ON STATEMENTS OF FINANCIAL POSITION (CONT'D)

3.9 TRADE RECEIVABLES (CONT'D)

(a) Recognition, measurement and significant judgement (Cont'd)

(i) Credit risk management practices (Cont'd)

Assessment is carried out on expected credit losses on a collective basis of receivables, that are not being impaired individually, and such receivables are grouped based on the following factors for monitoring:

- Business activities: Property Development, Construction, Olympic Cable, Acotec IBS, Hotels and Resorts and SGI Vacation Club businesses are each assessed in separate groups;
- Products or services: different types of products or services are each assessed in separate groups;
- Receivables ageing status;
- Nature, size and industry of receivables;
- Collaterals provided by the receivables; and
- External/Internal credit ratings where applicable.

Trade receivables are considered credit-impaired when one or more events have occurred that have a detrimental impact on the recoverable amounts, based on the estimated future cash flows of the receivables that can be reliably measured. A receivable is written off from its books only when all avenues of recovery have been exhausted and there is no expectation of recovery in the foreseeable future. For receivables that are written off, the Group's internal legal unit will follow up on enforcement activities.

To determine whether there is objective evidence that trade receivables are credit-impaired, the following inputs and assumptions are being used to assess whether there has been a significant increase in credit risk since initial recognition:

- Significant financial difficulty of the customer;
- A breach of contract, such as a default of payment; or
- Observation of current and forward-looking data indicating that there is a measurable decrease in the estimated future cash flows from the customer since initial recognition, including:
 - (i) adverse changes in the payment status of the customer; and
 - (ii) national or local economic conditions that correlate with the customer's ability to pay.

Reviews of expected credit losses are carried out at each reporting period to assess the reasonableness of the assumptions relating to the risk of default and expected loss rates. In assessing the impairment of a receivable, the possibility of default is assumed based on historical behaviour, including the past five years' monthly data of each customer from the end of the reporting date. In addition, business units observe current market conditions concerning each customer's exposure and any related collateral risk exposure.

NOTES TO THE FINANCIAL STATEMENTS - 31 DECEMBER 2025 (CONT'D)**SECTION 3: INFORMATION ON STATEMENTS OF FINANCIAL POSITION (CONT'D)****3.9 TRADE RECEIVABLES (CONT'D)****(a) Recognition, measurement and significant judgement (Cont'd)****(i) Credit risk management practices (Cont'd)**

In incorporating forward-looking information into the determination of expected credit losses, general macroeconomic indicators such as projected GDP, lending interest rates, unemployment rates, manufacturing production, industrial production, housing price index and inflation rates are used as broad guidance in assessing credit risk and are applied together with experienced credit judgement.

In addition, industry-specific factors are considered in determining expected credit losses, including information relating to the nature of collateral, conditions in the property market, the marketability of underlying assets and other relevant sectoral developments that may affect borrowers' repayment capacity.

Based on historical data and the forward-looking information described above, business units apply the probability of default (PD) and loss given default (LGD) methodology in assessing lifetime expected credit losses.

(ii) Quantitative and qualitative information about amounts arising from expected credit losses

Gross carrying amount being allocated for impairment

	Group			
	2025		2024	
	Collectively assessed RM'000	Individually assessed RM'000	Collectively assessed RM'000	Individually assessed RM'000
At the beginning of the year	176,166	5,648	113,692	3,545
Originate	1,221,399	378	1,031,763	2,678
Derecognise	(1,214,599)	(1,671)	(969,289)	(575)
At the end of the year	182,966	4,355	176,166	5,648

There were no modifications of contractual cash flows on trade receivables during the year.

No contractual amounts were written off during the year, which are still subject to enforcement activities.

NOTES TO THE FINANCIAL STATEMENTS - 31 DECEMBER 2025 (CONT'D)**SECTION 3: INFORMATION ON STATEMENTS OF FINANCIAL POSITION (CONT'D)****3.9 TRADE RECEIVABLES (CONT'D)****(a) Recognition, measurement and significant judgement (Cont'd)****(iii) Credit risk exposure**

The Group assesses the credit quality of trade receivables using the ageing of past due days for the lifetime impairment of the trade receivables as follows:

Group	Expected loss rate %	Gross carrying amount/ Maximum exposure RM'000	Collateral value held RM'000	Expected loss provision RM'000
2025				
Current	1.0	119,221	6,727	1,154
Past due:				
1 to 30 days	1.8	28,145	372	512
31 to 60 days	2.4	19,339	547	467
61 to 90 days	4.3	10,536	72	454
More than 90 days	51.8	10,080	79	5,223
		187,321	7,797	7,810
2024				
Current	1.7	106,322	6,816	1,821
Past due:				
1 to 30 days	1.9	51,918	638	1,012
31 to 60 days	5.3	12,705	5	668
61 to 90 days	48.1	1,022	-	492
More than 90 days	72.2	9,847	-	7,107
		181,814	7,459	11,100

(iv) Significant estimates and judgements

Impairment allowances for trade receivables are determined based on assumptions regarding the risk of default and expected credit loss rates. Significant judgement is used in making these assumptions and selecting appropriate inputs for computing such impairment loss. These assessments are broadly based on the available customers' historical data, past collection experience and prevailing market conditions, including relevant forward-looking information as at the end of the reporting period.

NOTES TO THE FINANCIAL STATEMENTS - 31 DECEMBER 2025 (CONT'D)**SECTION 3: INFORMATION ON STATEMENTS OF FINANCIAL POSITION (CONT'D)****3.9 TRADE RECEIVABLES (CONT'D)****(a) Recognition, measurement and significant judgement (Cont'd)****(v) Financial assets measured at amortised cost and effective interest method**

The amortised cost of a financial asset is the amount measured at initial recognition, adjusted for subsequent recognition of interest income using the effective interest method on any difference between that initial amount and the maturity amount, and reduced by repayments and any impairment/credit losses.

The effective interest rate is the rate that discounts estimated future cash inflows through the expected life of the financial asset to the gross carrying amount of a financial asset. The gross carrying amount is the amortised cost of a financial asset before adjusting for any loss allowance. The effective interest method is the method that is used in the calculation of the amortised cost of a financial asset and the allocation and recognition of the interest income in the statement of profit or loss over the relevant period.

Therefore, the carrying amount of the financial asset is a reasonable approximation of its fair value.

The above amortised costs measurement is also adopted in amount due from immediate holding company, amounts due from related companies, amounts due from subsidiaries and other assets excluding prepayments, cash and bank balances, as disclosed in Notes 3.10(a)(i), 3.11(a), 3.12(a), 3.13(a) and 3.16(a), respectively.

(b) Other information

(i) Movement of allowance for impairment losses on trade receivables is as follows:

	Note	Group	
		2025 RM'000	2024 RM'000
Collective assessment			
At the beginning of the year		5,452	3,254
Allowance made	2.6	2,000	2,199
Write back of allowance	2.6	(3,997)	(1)
At the end of the year		<u>3,455</u>	<u>5,452</u>
Individual assessment			
At the beginning of the year		5,648	3,545
Allowance made	2.6	378	2,678
Write back of allowance	2.6	(1,671)	(575)
At the end of the year		<u>4,355</u>	<u>5,648</u>
Total collective and individual impairment losses		<u>7,810</u>	<u>11,100</u>

There was no significant concentration of credit risks at the end of the year.

NOTES TO THE FINANCIAL STATEMENTS - 31 DECEMBER 2025 (CONT'D)**SECTION 3: INFORMATION ON STATEMENTS OF FINANCIAL POSITION (CONT'D)****3.9 TRADE RECEIVABLES (CONT'D)****(b) Other information (Cont'd)**

- (ii) Trade receivables are non-interest bearing unless overdue and generally on terms of 30 to 90 days (2024: 30 to 90 days).
- (iii) The currency exposure profile of the trade receivables is disclosed in Note 1.8(b)(ii).

3.10 AMOUNT DUE FROM IMMEDIATE HOLDING COMPANY

	Note	Group	
		2025 RM'000	2024 RM'000
Amount due from immediate holding company			
Current			
Others	1.8	953	-

(a) Recognition, measurement and significant judgement**(i) Amount due from immediate holding company**

Amount due from immediate holding company is a financial asset with fixed or determinable repayments and is classified as amortised cost asset. This amount is recorded in the statement of financial position when advanced to immediate holding company. Initially, it is recognised at fair value based on amounts advanced and subsequently measured at amortised cost as described in Note 3.9(a)(v).

The Company adopts the 'general approach' under MFRS 9 in providing the expected credit loss. The 'general approach' is described in Note (a)(ii) below. Based on the assessment, the amount due from immediate holding company has low credit risk and it was negligible, hence no expected credit loss is recognised thereof.

(ii) Impairment assessment - 'General Approach' under MFRS 9

The 'general approach' under MFRS 9 uses the forward-looking expected credit loss model, which includes a three-stage impairment model based on changes in credit quality since initial recognition. Assets move through the three stages as quality changes, and the stages dictate how the measurement of impairment losses at each reporting date. Impairment losses will be reversed if the credit quality improves. In respect of the receivables where credit risk has not increased significantly since the initial recognition of the financial assets, the 12-month expected credit losses are recognised. Otherwise, lifetime expected credit losses are recognised. For credit-impaired receivables, lifetime expected credit losses are recognised on a net basis.

NOTES TO THE FINANCIAL STATEMENTS - 31 DECEMBER 2025 (CONT'D)

SECTION 3: INFORMATION ON STATEMENTS OF FINANCIAL POSITION (CONT'D)

3.10 AMOUNT DUE FROM IMMEDIATE HOLDING COMPANY (CONT'D)

(a) Recognition, measurement and significant judgement (Cont'd)

(ii) Impairment assessment - 'General Approach' under MFRS 9 (Cont'd)

In making this impairment assessment, both quantitative and qualitative information that is reasonable and supportable shall be considered, including historical experience and observable forward-looking information without undue cost or effort. The probability of default and loss given default methodology have been used to assess the expected credit loss, and significant judgement is exercised in determining the probability of default of the receivables, appropriate forward-looking information and a significant increase in credit risk since the inception of such receivable.

The Group adopted IFRS S2 'Climate-related Disclosures' in the current year, and the relevant requirements on amount due from immediate holding company are discussed in Note 6.3(a)(viii).

For the incorporation of forward-looking information into the determination of expected credit losses, the Group uses general macroeconomic indicators such as projected gross domestic product ("GDP"), lending interest rate, unemployment rate and inflation rate as broad guidance of credit. In addition, industry-specific factors are considered in determining expected credit loss, such as information on the share market, including investable counters, collateral nature, property market and its marketability.

The Group uses the probability of default and loss given default methodology to assess expected credit loss based on the historical data and the forward-looking information stated above.

There were no significant changes in the estimation techniques or assumptions made during the year.

The above 'general approach' under MFRS 9 is also adopted in trade receivables, amount due from immediate holding company, amounts due from related companies, amounts due from subsidiaries and other assets excluding prepayments, as disclosed in Notes 3.9(a)(i), 3.10(a), 3.11(a)(i), 3.12(a) and 3.13(a), respectively.

(b) Other information

- (i) Non-trade amount due from the immediate holding company is denominated in RM, unsecured, and interest-free. At the end of the year, such an amount is due and to be received.
- (ii) The liquidity risk of the amounts due to from immediate holding company is disclosed in Note 1.8(a).

NOTES TO THE FINANCIAL STATEMENTS - 31 DECEMBER 2025 (CONT'D)**SECTION 3: INFORMATION ON STATEMENTS OF FINANCIAL POSITION (CONT'D)****3.11 AMOUNTS DUE FROM/(TO) RELATED COMPANIES**

	Note	Group	
		2025 RM'000	2024 RM'000
Amounts due from related companies			
Current			
Construction receivables	(c)(i)	28,942	36,575
Advance to related companies	1.4,(b)	35,000	35,000
Others		1,173	-
	1.8	<u>65,115</u>	<u>71,575</u>
Amounts due to related companies			
Current			
Advances from related companies	1.4,(b)	(149,096)	(134,287)
Others		(7,079)	(9,012)
	1.8	<u>(156,175)</u>	<u>(143,299)</u>

(a) Recognition, measurement and significant judgement**(i) Amounts due from related companies**

Amounts due from related companies are financial assets with fixed or determinable repayments and are classified as amortised cost assets. These amounts are recorded in the statement of financial position when advanced to the related companies. Initially, they are recognised at fair value based on the amounts advanced and subsequently measured at amortised cost as described in Note 3.9(a)(v).

The Company adopts the 'general approach' under MFRS 9 in providing the expected credit loss. The 'general approach' is described in Note 3.10(a)(ii) below. Based on the assessment, the amounts due from related companies have low credit risk, hence no expected credit loss is recognised thereof.

(ii) Amounts due to related companies

Amounts due to related companies are financial liabilities with fixed or determinable payments, classified as amortised cost liabilities. These amounts are recorded in the statement of financial position when the financial obligation arises. Initially, they are recognised at the fair value of the advances received, and subsequently, they are measured at amortised cost as described in Note 3.17(a)(ii).

NOTES TO THE FINANCIAL STATEMENTS - 31 DECEMBER 2025 (CONT'D)**SECTION 3: INFORMATION ON STATEMENTS OF FINANCIAL POSITION (CONT'D)****3.11 AMOUNTS DUE FROM/(TO) RELATED COMPANIES (CONT'D)****(a) Recognition, measurement and significant judgement (Cont'd)**

The Group adopted IFRS S2 'Climate-related Disclosures' in the current year, and the relevant requirements on amount due from related companies are discussed in Note 6.3(a)(viii).

(b) Interest rates

Non-trade amounts due from/(to) related companies are unsecured and interest-free except for the advance to/(from) related companies which bear an interest rate ranging from 4.70% to 5.18% (2024: 4.70% to 5.18%) per annum. At the end of the year, such amounts including interest therein are due and to be received/paid.

(c) Other information

- (i) Construction receivables are construction progress work performed for related companies and these trade amounts due from related companies are non-interest bearing and generally on terms of 30 to 90 days (2024: 30 to 90 days).
- (ii) The liquidity risk of the amounts due to related companies are disclosed in Note 1.8(a).
- (iii) Amounts due from/(to) related companies are denominated in RM.

3.12 AMOUNTS DUE FROM SUBSIDIARIES

This note details the advances made between the Company and its subsidiaries.

	Note	Company	
		2025 RM'000	2024 RM'000
Non-current			
Amounts due from subsidiaries		5,473	720
Current			
Amounts due from subsidiaries		5,521	29,847
Allowance for impairment losses	(c)(i)	-	(1,623)
Total current		5,521	28,224
Total	1.8	10,994	28,944

NOTES TO THE FINANCIAL STATEMENTS - 31 DECEMBER 2025 (CONT'D)**SECTION 3: INFORMATION ON STATEMENTS OF FINANCIAL POSITION (CONT'D)****3.12 AMOUNTS DUE FROM SUBSIDIARIES (CONT'D)****(a) Recognition, measurement and significant judgement**

Amounts due from subsidiaries are financial assets with fixed or determinable repayments and are classified as amortised cost assets. These amounts are recorded in the statement of financial position when advanced to the subsidiary. Initially, they are recognised at fair value based on the amounts advanced and subsequently measured at amortised cost as described in Note 3.9(a)(v).

The Company adopts the 'general approach' under MFRS 9 in providing the expected credit loss. The 'general approach' is described in Note 3.10(a)(ii).

(b) Interest rates

Amounts due from subsidiaries are unsecured and bear an interest rate ranging from 2.23% to 5.14% (2024: 2.37% to 5.18%) per annum. At the end of the year, such amounts including interest therein are due and to be received.

(c) Other information

- (i) Movement of allowance for impairment losses on amounts due from subsidiaries is as follows:

	Note	Company	
		2025 RM'000	2024 RM'000
Individual assessment			
At the beginning of the year		1,623	1,623
Write back of allowance	2.6	(1,623)	-
At the end of the year		-	1,623

- (ii) Amounts due from subsidiaries are denominated in RM.

NOTES TO THE FINANCIAL STATEMENTS - 31 DECEMBER 2025 (CONT'D)**SECTION 3: INFORMATION ON STATEMENTS OF FINANCIAL POSITION (CONT'D)****3.13 OTHER ASSETS**

This note provides information on other receivables, deposits paid and prepayment of expenses.

	Note	Group		Company	
		2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
Non-current					
Deposits	1.8(b)(ii)	118	40	-	-
Current					
Other receivables		23,013	24,183	92	39
Deposits		5,516	8,474	7	7
Allowance for impairment	(b)(i)	(1,597)	(1,563)	-	-
	1.8(b)(ii)	26,932	31,094	99	46
Prepayments		4,069	2,703	11	7
Total current		31,001	33,797	110	53
Total		31,119	33,837	110	53

Carrying amount analysed by business segments:

Property	5,918	6,535
Industries	20,841	24,726
Hospitality	4,250	2,523
Investment Holding	110	53
	31,119	33,837

(a) Recognition, measurement and significant judgement

Other assets, excluding prepayments, are financial assets with fixed or determinable payments and are classified as amortised cost assets. These assets are recognised in the statement of financial position when goods and/or services are provided to the Group. Initially, such goods and/or services are measured at the fair value, equivalent to the transaction amounts and subsequently are measured at amortised cost as described in Note 3.9(a)(v). Gains or losses, including impairment, are recognised in the statement of profit or loss.

The 'general approach' under MFRS 9 as described in Note 3.10(a)(ii) is adopted to provide for the expected credit loss of the above receivables.

NOTES TO THE FINANCIAL STATEMENTS - 31 DECEMBER 2025 (CONT'D)**SECTION 3: INFORMATION ON STATEMENTS OF FINANCIAL POSITION (CONT'D)****3.13 OTHER ASSETS (CONT'D)****(a) Recognition, measurement and significant judgement (Cont'd)**

The Group assesses whether the credit risk of a receivable has significantly increased since initial recognition by considering various criteria, including whether the receivable is more than 90 days past due, the nature of the transaction, and by comparing the risk of a default at the end of the year with the risk of initial recognition. This assessment involves the use of both quantitative and qualitative information that is reasonable and supportable, including historical experience and observable forward-looking data, without undue cost or effort.

The Group adopted IFRS S2 'Climate-related Disclosures' in the current year, and the relevant requirements on other assets are discussed in Note 6.3(a)(viii).

(b) Other information

(i) Movement of allowance for impairment losses on other receivables is as follows:

	Note	Group	
		2025 RM'000	2024 RM'000
Individual assessment			
At the beginning of the year		1,563	1,258
Allowance made	2.6	34	305
At the end of the year		<u>1,597</u>	<u>1,563</u>

(ii) Other receivables were non-interest bearing and normally settled in 30 to 90 days (2024: 30 to 90 days).

(iii) The currency exposure profile of the other assets excluding prepayments is disclosed in Note 1.8(b)(ii).

NOTES TO THE FINANCIAL STATEMENTS - 31 DECEMBER 2025 (CONT'D)**SECTION 3: INFORMATION ON STATEMENTS OF FINANCIAL POSITION (CONT'D)****3.14 CONTRACT ASSETS**

This note provides information about the contract assets representing the Group's rights to consideration for goods sold and services rendered to the customers before recognition as trade receivables.

	Note	Group	
		2025 RM'000	2024 RM'000
Contract assets arising from the excess of revenue recognised over progress billings to property purchasers	(b)(i)	160	19,080

The carrying amount is classified under the Property Segment.

Contract assets reflect revenue that has been earned on development projects currently in progress, but for which an invoice has not yet been issued to the customers.

(a) Recognition, measurement and significant judgement

A contract asset is a right to consideration, the fair values at initial recognition, in exchange for goods or services that the Group has transferred to a customer before the customer pays consideration or before payment is due.

Contract assets (accrued billings to be billed to purchasers) are recognised in the statement of financial position as an excess of cumulative revenue recognised over the progress billings to purchasers. Revenue is measured at the transaction price based on a contract with a purchaser/customer.

Contract assets will be reclassified to trade receivables when the rights to economic benefits become unconditional. This usually occurs when billings are issued to the purchaser/customer. For determining the transaction price of the contract, the Group assumed that the goods or services would be transferred to the purchaser/customer as promised following the existing contract and that the contract would not be amended, renewed or modified.

Contract assets are subject to impairment assessment under MFRS 9. The expected credit loss is recognised from the date of initial recognition of a contract asset using a single-stage lifetime expected credit loss, the 'simplified approach' as described under Note 3.9(a)(i). No expected credit loss is recognised from contract assets as it was negligible.

The Group adopted IFRS S2 'Climate-related Disclosures' in the current year, and the relevant requirements on contract assets are discussed in Note 6.3(a)(viii).

NOTES TO THE FINANCIAL STATEMENTS - 31 DECEMBER 2025 (CONT'D)**SECTION 3: INFORMATION ON STATEMENTS OF FINANCIAL POSITION (CONT'D)****3.14 CONTRACT ASSETS (CONT'D)****(b) Other information**

- (i) Contract assets and liabilities in respect of property development activities:

	Note	Group	
		2025 RM'000	2024 RM'000
At the beginning of the year		19,080	123,497
Net progress revenue recognised in profit or loss	2.1	59,993	52,461
Sale of completed properties recognised in profit or loss		463	690
Progress billings issued		(79,376)	(157,568)
At the end of the year		160	19,080
Carrying amounts at the end of the year are analysed as follows:			
- Contract assets		160	19,080
The amounts included in contract liabilities at the beginning of the financial year have been recognised as revenue are as follows:			
Contract liabilities recognised as revenue		-	2,510

- (ii) Contract assets and liabilities in relation to construction contracts:

	Note	Group	
		2025 RM'000	2024 RM'000
At the beginning of the year		-	-
Cost incurred and profit accrued		334,787	286,675
Progress billings issued and recognised as revenue	2.1	(334,787)	(286,675)
At the end of the year		-	-

Included in the above are depreciation of property, plant and equipment of RM5.1 million (2024: RM2.9 million) [Note 3.1(b)(iii)].

NOTES TO THE FINANCIAL STATEMENTS - 31 DECEMBER 2025 (CONT'D)**SECTION 3: INFORMATION ON STATEMENTS OF FINANCIAL POSITION (CONT'D)****3.14 CONTRACT ASSETS (CONT'D)****(b) Other information (Cont'd)**

(iii) Transaction price allocated to the remaining performance obligations

The aggregate amount of the transaction price allocated to the property development contracts that are fully or partially to be fulfilled (unsatisfied) and expected to be recognised as revenue in the future are as follows:

	Group			
	2025		2024	
	RM'000	%	RM'000	%
Within 1 year	14,567	23	17,728	56
1 to 4 years	49,220	77	13,716	44
	<u>63,787</u>		<u>31,444</u>	

Contract assets and liabilities under property development activities contracts are denominated in RM. The above contract assets and liabilities are not impacted by any significant changes in the contract terms.

3.15 BIOLOGICAL ASSETS

	Note	Group	
		2025	2024
		RM'000	RM'000
Unharvested oil palm fresh fruit bunches ("FFB"), at fair value	(d)	<u>406</u>	<u>606</u>

The carrying amount is classified under the Property Segment.

(a) Recognition, measurement and significant judgement

The Group classifies unharvested oil palm FFB as biological assets. Such biological assets are recognised on the statement of financial position and are measured at fair value.

The fair value is determined by calculating the present value of the estimated future net cash flows from the sale of the FFB. This calculation deducts all costs to sell (including harvesting and transportation expenses) and incorporates market-based assumptions, such as discount and crop growth rates.

NOTES TO THE FINANCIAL STATEMENTS - 31 DECEMBER 2025 (CONT'D)**SECTION 3: INFORMATION ON STATEMENTS OF FINANCIAL POSITION (CONT'D)****3.15 BIOLOGICAL ASSETS (CONT'D)****(a) Recognition, measurement and significant judgement (Cont'd)**

In developing these forecasts, the Group considers current expectations regarding climate-related impacts. This includes an assessment of the likelihood of relevant climate risks and their potential effect on future cash flows. In accordance with MFRSs, the Group has concluded that the financial impact of these climate-related risks is not material to its financial statements.

(b) Fair value measurement

A fair value hierarchy with three levels of inputs for valuation techniques is used to measure fair value. The three levels prioritise the inputs based on their observability and reliability, and the carrying amount of the assets can be categorised as follows:

- (1) Level 1 uses unadjusted active market price of identified assets.
- (2) Level 2 uses valuation techniques with observable inputs, such as market data from transactions involving similar or comparable assets, under the market approach (comparison method).
- (3) Level 3 uses valuation techniques with unobservable inputs, applying methods such as investment, residual, income capitalisation, cost, and comparison, based on non-market-observable data.

The fair value of unharvested oil palm FFB is classified within Level 3 of the fair value hierarchy in accordance with MFRS 13. This classification applies when valuations rely significantly on unobservable inputs.

The valuation of these biological assets is based on the Income Capitalisation method. The primary unobservable input is the estimated selling price per tonne, which was:

Valuation technique	Material unobservable inputs	Group	
		2025	2024
Income capitalisation	Estimated selling price per tonne (RM)	871	1,116

During the year, there were no transfers between all three levels of the fair values hierarchy for the biological assets.

NOTES TO THE FINANCIAL STATEMENTS - 31 DECEMBER 2025 (CONT'D)**SECTION 3: INFORMATION ON STATEMENTS OF FINANCIAL POSITION (CONT'D)****3.15 BIOLOGICAL ASSETS (CONT'D)****(c) Climate-related risks**

The Group's oil palm plantations are exposed to physical climate-related risks, such as floods, storms, high winds, and drought. Climate change may increase the frequency and severity of these events, potentially leading to reduced crop yields, disruptions to harvesting operations, and increased operating and maintenance costs.

In line with IFRS S2, the Group has established formal processes and controls to identify, assess, and manage these physical risks. The Group's risk management strategy focuses on proactive estate management, continuous monitoring, and early detection. Specific mitigation measures include:

- (1) Enhanced drainage systems.
- (2) Adaptive agronomic practices to bolster crop resilience.
- (3) Increased surveillance during high-risk weather periods.

The Group has adopted IFRS S2 'Climate-related Disclosures' in the current year, and the relevant requirements on biological assets are discussed in Notes 6.3(a)(iv) and (ix).

(d) Other information

The movement of the unharvested oil palm FFB is as follows:

	Note	Group	
		2025 RM'000	2024 RM'000
At the beginning of the year		606	444
Gain on fair valuation	2.7	10	162
Loss on fair valuation	2.8	(210)	-
At the end of the year		406	606

NOTES TO THE FINANCIAL STATEMENTS - 31 DECEMBER 2025 (CONT'D)**SECTION 3: INFORMATION ON STATEMENTS OF FINANCIAL POSITION (CONT'D)****3.16 CASH, BANK BALANCES AND SHORT-TERM FUNDS**

This note outlines the liquidity position, which forms part of the capital management as disclosed in Note 1.4.

Cash, bank balances and short-term funds comprise cash at banks and on hand and short-term highly liquid deposits with a maturity of one year or less, that are held to meet short-term cash commitments and are readily convertible to a known amount of cash and subject to an insignificant risk of changes in value.

	Note	Group		Company	
		2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
Cash and bank balances		79,864	57,746	25,621	25,709
Deposits with licensed financial institutions		70,282	142,588	14,738	106,742
Short-term funds		227,289	278,045	13,620	110,239
		<u>377,435</u>	<u>478,379</u>	<u>53,979</u>	<u>242,690</u>
Housing development accounts		51	12,698	-	-
	1.4,1.8(b)(ii)	<u>377,486</u>	<u>491,077</u>	<u>53,979</u>	<u>242,690</u>

Carrying amount analysed
by business segments:

Property	215,854	180,427
Industries	75,508	49,458
Hospitality	31,853	18,193
Investment Holding	54,271	242,999
	<u>377,486</u>	<u>491,077</u>

NOTES TO THE FINANCIAL STATEMENTS - 31 DECEMBER 2025 (CONT'D)

SECTION 3: INFORMATION ON STATEMENTS OF FINANCIAL POSITION (CONT'D)

3.16 CASH, BANK BALANCES AND SHORT-TERM FUNDS (CONT'D)

(a) Recognition and measurement

Cash and bank balances, deposits with licensed financial institutions and housing development accounts are financial assets with fixed and determinable sums that are classified as amortised cost assets. Such sums are recognised initially at fair value in the statement of financial position and subsequently measured at amortised cost as described in Note 3.9(a)(v).

Short-term funds are financial assets are recognised initially at fair value based on contracts entered in the statement of financial position. Subsequent to the initial recognition, such funds are measured at FVTPL.

The fair value measurement of the short-term funds is categorised within Level 1 of the fair value hierarchy, using the unadjusted active market price of the identified assets, according to MFRS 13 'Fair Value Measurement', as disclosed in Note 3.15(b).

(b) Cash and cash equivalents

For the purpose of the statements of cash flows, the cash and cash equivalents comprise cash on hand and at banks, deposits with licensed financial institutions and short-term funds with short-term maturities and highly liquid investments which have an insignificant risk of changes in value net of bank overdrafts, if any. Statements of cash flows are prepared using an indirect method and changes in cash and cash equivalents are classified into operating, investing and financing activities.

Bank accounts held under housing development accounts, forming part of bank balances, are maintained pursuant to Section 7A of the Housing Development (Control and Licensing) Act, 1966 in Malaysia. The utilisation of this balance is restricted to property development activities under the said section.

The Group's practice of using a 12-month operating cycle for liquidity management ensures consistency, accuracy, and financial stability, laying the foundation for sustained business success. This means that the Group uses a 12-month period to plan, execute, and evaluate its business activities. By maintaining this consistent timeframe, the Group ensures accurate assessment and effective management of its financial performance.

In this context, the Group treats its cash and cash equivalents as liquidity, specifically within this 12-month operating cycle, and such cash and cash equivalents are highly liquid and readily convertible to known amount of cash which is subject to an insignificant of risk of change in value, and held for the purpose of meeting short-term cash commitments rather than for investment or other purposes. This practice allows the Group to maintain a clear and precise view of its financial condition and health, ensuring that sufficient funds are available to meet short-term obligations and invest in future growth opportunities.

NOTES TO THE FINANCIAL STATEMENTS - 31 DECEMBER 2025 (CONT'D)

SECTION 3: INFORMATION ON STATEMENTS OF FINANCIAL POSITION (CONT'D)

3.16 CASH, BANK BALANCES AND SHORT-TERM FUNDS (CONT'D)

(b) Cash and cash equivalents (Cont'd)

By adhering to this 12-month operating cycle, the Group can effectively manage its working capital, optimise cash flow and make informed financial decisions. This approach supports the Group's overall business strategy, contributing to its long-term growth, stability and ability to maximise shareholder value.

(c) Interest rates

The interest rates at the end of the year of:

- (i) bank balances under housing development accounts ranging from 0.75% to 1.30% (2024: 1.10% to 1.60%) per annum.
- (ii) bank balances under current accounts ranging from 0.75% to 2.25% (2024: 0.50% to 2.90%) per annum.

(d) Bank balances and short-term funds pledged as security

Deposits with licensed financial institutions amounting to RM42.5 million in 2024 of the Group and the Company had been pledged to licensed financial institutions for credit facilities granted to the treasury management company of the immediate holding company. The pledged deposit was uplifted during the financial year.

(e) Other information

As at 31 December 2025, the Group had available RM33.7 million (2024: RM31.9 million) of undrawn borrowing facilities that may be available for future operating activities and to settle capital commitments. As at 31 December 2025, the deposits with the licensed financial institutions will mature within 365 days (2024: 365 days).

Short-term funds aim to invest in highly liquid instruments which are investing its assets in Ringgit Malaysia deposits with licensed financial institutions in Malaysia and are redeemable with one to five days' notice. These funds are subject to an insignificant risk of changes in value and form part of cash and cash equivalents. Fund distribution income is calculated daily and distributed every month. No expected credit loss is recognised from the bank balances, as the probability of default by these licensed financial institutions was negligible.

The currency exposure profile of the cash, bank balances and short-term funds is disclosed in Note 1.8(b)(ii).

NOTES TO THE FINANCIAL STATEMENTS - 31 DECEMBER 2025 (CONT'D)**SECTION 3: INFORMATION ON STATEMENTS OF FINANCIAL POSITION (CONT'D)****3.17 BORROWINGS**

This note provides details of the borrowings, which represent a key component of its capital management framework as disclosed in Note 1.4. These borrowings are utilised to finance business operations and meet corporate funding requirements, ensuring sufficient liquidity to support the Group's strategic initiatives and long-term growth objectives.

	Note	Group		Company	
		2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
Non-current					
Secured					
Term loans		95,345	106,312	-	-
Current					
Secured					
Bankers' acceptances		78,249	47,300	-	-
Revolving credits		114,950	114,950	5,000	5,000
Term loans		17,010	10,856	-	-
Total current		210,209	173,106	5,000	5,000
Total	1.4,1.8(b)(ii)	305,554	279,418	5,000	5,000
Total borrowings					
Bankers' acceptances		78,249	47,300	-	-
Revolving credits		114,950	114,950	5,000	5,000
Term loans		112,355	117,168	-	-
		305,554	279,418	5,000	5,000

NOTES TO THE FINANCIAL STATEMENTS - 31 DECEMBER 2025 (CONT'D)**SECTION 3: INFORMATION ON STATEMENTS OF FINANCIAL POSITION (CONT'D)****3.17 BORROWINGS (CONT'D)**

	Group		Company	
	2025	2024	2025	2024
	RM'000	RM'000	RM'000	RM'000
The carrying amount analysed by maturity:				
On demand or within 1 year	210,209	173,106	5,000	5,000
More than 1 year but less than 2 years	15,280	17,718	-	-
More than 2 years but less than 5 years	58,860	56,594	-	-
More than 5 years	21,205	32,000	-	-
	305,554	279,418	5,000	5,000

Carrying amount analysed by
business segments:

Property	54,000	54,000
Industries	217,604	185,707
Hospitality	28,950	34,711
Investment Holding	5,000	5,000
	305,554	279,418

(a) Recognition and measurement**(i) Borrowings**

Borrowings are financial liabilities which are classified as amortised cost liabilities.

Borrowings are initially recognised when financial obligations arise at fair value (net of transaction costs) of borrowed sums and subsequently measured at amortised cost as described in Note (a)(ii). They are derecognised when financial obligations are extinguished. Gains or losses, including interest, fees, discounts, rebates and amortisation of transaction costs, are recognised in statement of profit or loss.

If borrowings are replaced or modified on substantially different terms, the original liability is derecognised, and a new liability is recognised, with the difference recognised in statement of profit or loss.

NOTES TO THE FINANCIAL STATEMENTS - 31 DECEMBER 2025 (CONT'D)

SECTION 3: INFORMATION ON STATEMENTS OF FINANCIAL POSITION (CONT'D)

3.17 BORROWINGS (CONT'D)

(a) Recognition and measurement (Cont'd)

(ii) Financial liabilities measured at amortised cost and effective interest method

The amortised cost of a financial liability is the initial amount adjusted for interest expenses using the effective interest method, accounting for differences between the initial and maturity amounts minus repayments.

The effective interest rate is used to discount future cash outflows over the financial liability's life to its amortised cost. This method calculates the amortised cost, allocates and recognises interest expense over the relevant period.

Therefore, the carrying amount of the financial liability is a reasonable approximation of its fair value.

The amortised costs measurement is also adopted in lease liabilities, amounts due to related companies, borrowings, trade payables and other liabilities as disclosed in Notes 3.6(a)(ii), 3.11(a)(ii), 3.17(a)(i), 3.18(a) and 3.19(a), respectively.

(iii) Climate-related features in borrowings

The Group measures its borrowings and other financial liabilities at amortised cost in accordance with MFRS 9 Financial Instruments. In this regard, the Group has assessed its financial liabilities to determine whether any borrowings contain climate-related features that may affect the contractual cash flows of the liabilities, such as interest rate adjustments or other payment terms linked to the achievement of specified sustainability or climate-related metrics, if any.

As of 31 December 2025, the Group has yet to issue financial liabilities with Environmental, Social and Governance ("ESG") features. Upon issuance of any financial liabilities with ESG features, the Group will be required to assess the accounting treatment of such contracts, particularly as financial liabilities with ESG features that impact the cash flows of the liability may contain embedded derivatives. An embedded derivative in an amortised-cost liability must be bifurcated if it is not closely related to the host contract; if an embedded derivative is not bifurcated, its estimated cash flows are included in determining the effective interest/profit rate. Any future revisions to these estimates are accounted for directly in the statement of profit or loss.

NOTES TO THE FINANCIAL STATEMENTS - 31 DECEMBER 2025 (CONT'D)**SECTION 3: INFORMATION ON STATEMENTS OF FINANCIAL POSITION (CONT'D)****3.17 BORROWINGS (CONT'D)****(b) Interest rates**

	Group		Company	
	2025	2024	2025	2024
	%	%	%	%
Borrowings	3.35 - 6.67	3.50 - 5.33	4.64 - 5.04	5.04 - 5.08

(c) Secured borrowings

The Group has pledged the following assets as security for the secured borrowings.

	Note	Group	
		2025	2024
		RM'000	RM'000
Carrying amounts of the assets pledged for credit facilities:			
Property, plant and equipment	3.1(b)(ii)	238,283	172,275
Investment properties	3.2(b)(iv)	60,290	61,182
Right-of-use assets	3.6(b)(i)	367	379
Inventories:			
- Land held for property development	3.7(b)(i)	5,424	5,424
		304,364	239,260

(d) Other information

- (i) All covenants of the borrowings are met at all times during the year.
- (ii) The liquidity risk of the borrowings is disclosed in Note 1.8(a).
- (iii) The currency exposure profile of the borrowings is disclosed in Note 1.8(b)(ii).

NOTES TO THE FINANCIAL STATEMENTS - 31 DECEMBER 2025 (CONT'D)

SECTION 3: INFORMATION ON STATEMENTS OF FINANCIAL POSITION (CONT'D)

3.17 BORROWINGS (CONT'D)

(e) Reconciliation of liabilities arising from financing activities

	Note	Group		Company	
		2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
(i) Borrowings					
At the beginning of the year		279,418	144,262	5,000	5,000
Cash inflows:					
Net drawdowns		26,136	135,156	-	-
At the end of the year		<u>305,554</u>	<u>279,418</u>	<u>5,000</u>	<u>5,000</u>
(ii) Advances from related companies					
At the beginning of the year		134,287	78,589	-	-
Cash inflows		14,809	55,698	-	-
At the end of the year	3.11	<u>149,096</u>	<u>134,287</u>	<u>-</u>	<u>-</u>
(iii) Lease liabilities					
At the beginning of the year		5,352	3,510	-	-
Cash outflows	3.6(c)	(3,172)	(3,228)	-	-
Non-cash:					
- New leases		2,586	4,906	-	-
- Reassessments and modifications of leases		(1,344)	(82)	-	-
- Interest charged		202	246	-	-
		1,444	5,070	-	-
At the end of the year	3.6(c)	<u>3,624</u>	<u>5,352</u>	<u>-</u>	<u>-</u>
Total liabilities from financing activities		<u>458,274</u>	<u>419,057</u>	<u>5,000</u>	<u>5,000</u>

NOTES TO THE FINANCIAL STATEMENTS - 31 DECEMBER 2025 (CONT'D)**SECTION 3: INFORMATION ON STATEMENTS OF FINANCIAL POSITION (CONT'D)****3.18 TRADE PAYABLES**

This note provides information on amounts payable to contractors and suppliers that facilitate the Group's business operations. These payables include amounts due for services rendered, supplies provided, and other contractual obligations that are necessary to the seamless functioning of the business.

	Note	Group	
		2025 RM'000	2024 RM'000
Non-current			
Property development payables		5	43
Construction payables		15,099	15,682
Total non-current		<u>15,104</u>	<u>15,725</u>
Current			
Property development payables		672	947
Construction payables		23,896	24,924
Industries payables		56,004	40,366
Hotels payables		2,439	1,637
Other trade payables		47	-
Total current		<u>83,058</u>	<u>67,874</u>
Total	1.8(b)(ii)	<u>98,162</u>	<u>83,599</u>
Carrying amount analysed by business segments:			
Property		39,719	41,596
Industries		56,004	40,366
Hospitality		2,439	1,637
		<u>98,162</u>	<u>83,599</u>

(a) Recognition and measurement

Trade payables are financial liabilities classified as amortised cost liabilities. They are recognised in the statement of financial position when the financial obligation to pay arises and are initially measured at the fair value of the goods and services received. After initial recognition, trade payables are subsequently measured at amortised cost, as described in Note 3.17(a)(ii). These liabilities are derecognised when the related financial obligations are settled or extinguished.

The Group adopted IFRS S2 'Climate-related Disclosures' in the financial year, and the relevant requirements on trade payables are discussed in Note 6.3(a)(viii).

NOTES TO THE FINANCIAL STATEMENTS - 31 DECEMBER 2025 (CONT'D)**SECTION 3: INFORMATION ON STATEMENTS OF FINANCIAL POSITION (CONT'D)****3.18 TRADE PAYABLES (CONT'D)****(b) Other information**

- (i) Trade payables are non-interest bearing and normally settled in 30 to 90 days (2024: 30 to 90 days).
- (ii) The liquidity risk of the trade payables is disclosed in Note 1.8(a).
- (iii) The currency exposure profile of the trade payables is disclosed in Note 1.8(b)(ii).

3.19 OTHER LIABILITIES

This note provides details on financial liabilities, excluding trade payables and provisions. It includes accruals for which outflows of economic resources are probable, as well as deposits received from tenants and other arrangements.

	Note	Group		Company	
		2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
Non-current					
Deposits received	(b)(i)	1,164	1,047	-	-
Current					
Other payables		34,111	27,153	11	10
Accruals	(b)(ii)	139,903	134,958	2,356	1,705
Deposits received	(b)(i)	3,586	2,117	-	-
Total current		177,600	164,228	2,367	1,715
Total	1.8(b)(ii)	178,764	165,275	2,367	1,715
Carrying amount analysed by business segments:					
Property		140,475	135,242		
Industries		22,653	17,575		
Hospitality		15,153	11,946		
Investment Holding		483	512		
		178,764	165,275		

(a) Recognition, measurement and significant judgement

Other payables, accruals and deposits received are financial liabilities classified as amortised cost liabilities. The recognition of these liabilities is same as described in Note 3.17(a)(ii).

NOTES TO THE FINANCIAL STATEMENTS - 31 DECEMBER 2025 (CONT'D)**SECTION 3: INFORMATION ON STATEMENTS OF FINANCIAL POSITION (CONT'D)****3.19 OTHER LIABILITIES (CONT'D)****(a) Recognition, measurement and significant judgement (Cont'd)**

The Group adopted IFRS S2 'Climate-related Disclosures' in the current year. The financial instruments measurement applicable to other payables are discussed in Note 6.3(a)(viii).

(b) Other information

- (i) The non-current deposits received represent amount due to tenants for the rental of premises of a subsidiary and such deposits are refundable following the tenancy agreements.
- (ii) Accruals are mainly consist of accrued property development related costs.
- (iii) Liquidity risk of the other liabilities is disclosed in Note 1.8(a).
- (iv) Currency exposure profile of the other liabilities is disclosed in Note 1.8(b)(ii).

3.20 PROVISIONS

This note provides information on the provisions for expenses, which are recognised when probable outflows of economic resources are expected.

	Group	
	2025	2024
	RM'000	RM'000
Provisions	46,419	39,063
Carrying amount analysed by business segments:		
Property	32,835	28,115
Industries	5,784	4,910
Hospitality	5,828	4,673
Investment Holding	1,972	1,365
	46,419	39,063

(a) Recognition, measurement and significant judgement

Provisions are recognised when a present obligation (legal or constructive) arises from a past event, it is probable that an outflow of economic resources will be required to settle the obligation, and the amount of the obligation can be estimated reliably.

NOTES TO THE FINANCIAL STATEMENTS - 31 DECEMBER 2025 (CONT'D)**SECTION 3: INFORMATION ON STATEMENTS OF FINANCIAL POSITION (CONT'D)****3.20 PROVISIONS (CONT'D)****(a) Recognition, measurement and significant judgement (Cont'd)**

Provisions are reviewed at the end of the year and adjusted to reflect the current best estimate. A provision is reversed if it is no longer probable that an outflow of economic resources will be required to settle the obligation. Where the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, where appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

In determining the recognition, measurement and disclosure of provisions, the Group also considers the potential impact of climate-related risks and uncertainties, in line with the Group's adoption of IFRS S2 'Climate-related Disclosures'. This assessment includes consideration of both physical and transition climate-related risks that could reasonably be expected to affect the nature, timing or amount of the Group's obligations.

Environmental remediation and restoration provisions

Where applicable, provisions for environmental remediation, restoration, or site rehabilitation are measured by considering current and anticipated future regulatory requirements, remediation standards, and climate-related factors, such as the increased frequency or severity of extreme weather events that may affect the scope, timing, or cost of remediation activities.

Regulatory compliance, penalties and legal provisions

Provisions arising from regulatory compliance obligations, penalties or legal claims consider the potential impact of climate-related transition risks. This includes changes in environmental laws, regulations, enforcement practices, or compliance thresholds that may result from climate change policies and commitments.

Onerous contracts

In assessing whether contracts are onerous, the Group considers whether climate-related factors, such as increased operating or compliance costs, supply chain disruptions, or changes in market conditions, that may cause the unavoidable costs of fulfilling contractual obligations to exceed the expected economic benefits from the contracts.

Where climate-related risks are relevant, they are incorporated into the Group's best estimate of provisions through management judgement. This includes consideration of the probability, timing, and magnitude of expected outflows of economic resources. Key assumptions applied in measuring provisions, including those affected by climate-related uncertainties, are reviewed at each reporting date and disclosed where necessary to enable users of the financial statements to understand the nature and potential financial effects of such uncertainties.

The Group adopted IFRS S2 'Climate-related Disclosures' during the financial year, and the relevant requirements on provisions are discussed in Note 6.3(a)(x).

NOTES TO THE FINANCIAL STATEMENTS - 31 DECEMBER 2025 (CONT'D)**SECTION 3: INFORMATION ON STATEMENTS OF FINANCIAL POSITION (CONT'D)****3.20 PROVISIONS (CONT'D)****(b) Other information**

The reconciliation shown below provides how the obligations have changed over the reporting period for each class of provision:

Group	Provision		Total RM'000
	for low-cost housing [Note (i)] RM'000	Other provisions [Note (ii)] RM'000	
As at 1.1.2025	22,500	16,563	39,063
Additional provisions made for the year	-	23,919	23,919
Amounts used	-	(17,318)	(17,318)
Unused amounts reversed	-	755	755
As at 31.12.2025	<u>22,500</u>	<u>23,919</u>	<u>46,419</u>
As at 1.1.2024	22,500	13,314	35,814
Additional provisions made for the year	-	16,564	16,564
Amounts used	-	(12,635)	(12,635)
Unused amounts reversed	-	(680)	(680)
As at 31.12.2024	<u>22,500</u>	<u>16,563</u>	<u>39,063</u>

(i) Provision for low-cost housing

The Group recognises a provision for low-cost housing in respect of anticipated losses arising from the development of low-cost housing units required by the local Government as part of premium housing projects. This provision represents the shortfall between the cost of constructing affordable housing and the economic benefits expected to be received from the sale of such units, where selling prices are controlled by the authorities.

(ii) Other provisions

The Group recognises other provisions in respect of provisions for employee bonuses, representing the estimated obligation payable to staff. Provisions are also recognised for other estimated present obligations arising from specific business activities, where the amount can be reliably estimated. The carrying amount of the other provisions represents management's best estimate of the expenditure required to settle the obligations at the end of the reporting period.

All provisions are reviewed at each reporting date to ensure they remain adequate and appropriate.

NOTES TO THE FINANCIAL STATEMENTS - 31 DECEMBER 2025 (CONT'D)**SECTION 3: INFORMATION ON STATEMENTS OF FINANCIAL POSITION (CONT'D)****3.21 CONTRACT LIABILITIES**

This note provides information on the outstanding contract liabilities to be recognised. The contract liabilities arising from property development activities should be read in conjunction with Note 3.14, which provides details on related disclosures.

	Group	
	2025	2024
	RM'000	RM'000
Non-current		
Contract liabilities - vacation club membership fee received	44,670	52,953
Current		
Contract liabilities - vacation club membership fee received	3,892	4,280
Deferred income - lease	163	-
Total current	4,055	4,280
Total	48,725	57,233
Carrying amount analysed by business segments:		
Hospitality	48,725	57,233

Contact liabilities includes fee income received for services to be provided under vacation club.

Recognition and measurement

A contract liability represents the obligation to transfer goods or services to a customer for which the consideration has been received, or is due, from the customer. Such consideration is measured at its fair value at initial recognition. A contract liability is recognised when a payment is received or becomes due (whichever occurs first) before the related goods or services are transferred to the customer.

For the property development business, contract liabilities are recognised in the statement of financial position as the excess of progress billings to purchasers over the cumulative revenue recognised. Contract liabilities also include vacation club membership down payments and maintenance fees received from customers under the Hospitality Segment where the services are billed or payments collected prior to the provision of services to customers.

Contract liabilities are recognised as revenue in the statement of profit or loss when the performance obligations are satisfied, that is, when control of the goods or services is transferred to the customer.

NOTES TO THE FINANCIAL STATEMENTS - 31 DECEMBER 2025 (CONT'D)**SECTION 3: INFORMATION ON STATEMENTS OF FINANCIAL POSITION (CONT'D)****3.22 SHARE CAPITAL**

This note provides information on the issued and fully-paid share capital of the Company. The Group's capital management policies, objectives and processes are disclosed in Note 1.4.

		Group and Company			
		2025		2024	
Note	Number of	Amount	Number of	Amount	
	shares	RM'000	shares	RM'000	
	'000	'000	'000	'000	
Issued and fully-paid ordinary shares					
At the beginning/end of the year	3.23	529,485	570,726	529,485	570,726

(a) Recognition and measurement

Ordinary shares are recognised in the statement of financial position when issued and are classified as equity. They are valued at the fair value of the consideration received. These shares have no par value. Treasury shares held by the Company are disclosed in Note 3.23.

(b) Share capital information

Shareholders are entitled to receive dividends as and when declared and are entitled to one vote per ordinary share at general meeting of the Company. All ordinary shares rank equally with respect to the Company's residual assets.

NOTES TO THE FINANCIAL STATEMENTS - 31 DECEMBER 2025 (CONT'D)**SECTION 3: INFORMATION ON STATEMENTS OF FINANCIAL POSITION (CONT'D)****3.23 TREASURY SHARES**

This note provides information about the share buybacks of the Company.

	Note	Group and Company			
		2025		2024	
		Number of shares '000	Amount RM'000	Number of shares '000	Amount RM'000
At cost					
At the beginning/end of the year		4,778	<u>5,133</u>	4,778	<u>5,133</u>
Total number of outstanding ordinary shares in issue	1.7	<u>524,707</u>		<u>524,707</u>	
Total number of issued and fully- paid ordinary shares	3.22	<u>529,485</u>		<u>529,485</u>	

The Company was delisted from the Official List of Bursa Malaysia Securities Berhad on 13 December 2016. As a result, the Shareholders' mandate previously obtained for the purchase of its own shares has ceased, and the Company is no longer permitted to conduct further share buy-backs. The treasury shares remaining are held and will be dealt with in accordance with the provisions of the Companies Act 2016.

(a) Recognition and measurement

When the Company repurchases its own equity share capital, the shares are measured at cost, including any directly attributable incremental external costs. These costs are recorded in the statement of financial position and deducted from equity attributable to the Company's owner. Repurchased shares are classified as treasury shares until they are cancelled, reissued, or disposed of.

Shares repurchased are held as treasury shares in accordance with Section 127 of CA2016. The Company may distribute treasury shares as dividends to its Shareholders, resell the treasury shares in the market in compliance with the Rules of Bursa Securities, or cancel the shares under Section 127 of CA2016.

No gain or loss is recognised in the statement of profit or loss from the purchase, sale, issuance, or cancellation of the Company's own equity instruments. When treasury shares are distributed as dividends, their cost is deducted from distributable retained profits. If repurchased shares are subsequently resold in the open market, any difference between the resale price and the carrying amount of the repurchased shares is recorded as a movement in reserves in the statement of changes in equity.

NOTES TO THE FINANCIAL STATEMENTS - 31 DECEMBER 2025 (CONT'D)**SECTION 3: INFORMATION ON STATEMENTS OF FINANCIAL POSITION (CONT'D)****3.23 TREASURY SHARES (CONT'D)****(b) Summary of the share buybacks**

	Number of shares '000	Highest price RM	Lowest price RM	Average cost including transaction costs RM	Total amount paid RM'000
2025 and 2024					
At the beginning/end of the year	4,778	1.60	0.39	1.07	5,133

There were no share re-issuances, cancellations, resale or buybacks for the current and previous years.

3.24 RESERVES

This note explains the nature and composition of each item within the reserves.

	Note	Group		Company	
		2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
Foreign currency translation reserves	(a)	(105,639)	(95,701)	-	-
Other reserves	(b)	(1,620)	(1,012)	-	-
		(107,259)	(96,713)	-	-
Retained profits	(c)	751,655	887,758	367,827	558,751
		644,396	791,045	367,827	558,751

NOTES TO THE FINANCIAL STATEMENTS - 31 DECEMBER 2025 (CONT'D)

SECTION 3: INFORMATION ON STATEMENTS OF FINANCIAL POSITION (CONT'D)

3.24 RESERVES (CONT'D)

Each component of equity is disclosed in the statement of changes in equity, including the movement analysis of items in the statement of other comprehensive income. The nature, purpose and other relevant details of each reserve are described in the following notes:

(a) Foreign currency translation reserves

The foreign currency translation reserve records exchange differences from: (a) the translation of the financial statements of foreign operations whose functional currency differs from the Company's presentation currency; and (b) monetary items that form part of the net investment in a foreign operation, where such item is denominated in the functional currency of either the Company or the foreign operation.

This reserve also includes the Group's share of foreign currency translation reserves of its equity-accounted associates.

Movement of foreign currency translation reserves for the year is presented in the statement of changes in equity.

(b) Other reserves

Other reserves represent a share of reserves of an associate and comprise fair value through other comprehensive income ("FVTOCI").

FVTOCI reserves represent the cumulative gains and losses arising from:

- (i) investments in equity instruments designated as FVTOCI, net of any cumulative gains or losses transferred to retained earnings upon disposal; and
- (ii) investments in debt instruments classified as FVTOCI, net of any cumulative loss allowance recognised on these investments and cumulative gains or losses reclassified to the statement of profit or loss upon disposal or reclassification from FVTOCI.

(c) Retained profits

The Company's retained profits are available for distribution to its Shareholders in future periods.

NOTES TO THE FINANCIAL STATEMENTS - 31 DECEMBER 2025 (CONT'D)

SECTION 4: MATERIAL EVENTS AND RELATED PARTY DISCLOSURES

This section outlines material events affecting the Group during and after the financial year, as well as disclosures of related party transactions.

Information relating to conditions that existed at the reporting date, if received before the financial statements are authorised for issue, is evaluated to determine whether adjustments are required. Material events that provide evidence of conditions existing at the reporting date are reflected through adjustments to the financial statements. For events occurring after the reporting date that do not relate to conditions existing at that date, no adjustments are made; however, disclosure is provided regarding the nature of the event and an estimate of its financial effect, where practicable.

4.1 MATERIAL EVENT DURING THE YEAR

Material events include changes in the Group's composition during the year, as disclosed in Note 3.3(b).

4.2 MATERIAL EVENTS AFTER THE REPORTING PERIOD

There were no material subsequent events from the end of the year and ending on the date of this report.

4.3 RELATED PARTY DISCLOSURES

This note provides information on related party disclosures, including the basis for identifying related parties and the amounts of transactions entered into with related parties during the financial year.

(a) Identification of related parties

For the purposes of these financial statements, parties are considered to be related to the Group if the Group has the ability, directly or indirectly, to control or jointly control the party, or to 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.

The related parties include the Group's subsidiaries (Note 3.3), associates and a joint venture (Note 3.4), the immediate and ultimate holding companies [Note 1.1(c)] and companies related to Directors and major Shareholders of the Company. 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, and an entity that provides key management personnel services to the Group. Key management personnel include all Directors and senior personnel of the Group.

NOTES TO THE FINANCIAL STATEMENTS - 31 DECEMBER 2025 (CONT'D)**SECTION 4: MATERIAL EVENTS AND RELATED PARTY DISCLOSURES (CONT'D)****4.3 RELATED PARTY DISCLOSURES (CONT'D)****(b) Key management personnel's compensation**

	Note	Group		Company	
		2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
Directors:					
- fees - current year		7	20	7	20
- salaries, bonuses and other emoluments		9,232	7,849	4,069	3,570
- defined contribution plan		685	601	488	430
- estimated money value of benefits-in-kind		83	87	64	74
Total compensation for Directors	2.9(c)	10,007	8,557	4,628	4,094
Other key management personnel:					
- salaries, bonuses and other emoluments		4,622	4,308	-	-
- defined contribution plan		575	526	-	-
- estimated money value of benefits-in-kind		131	103	-	-
Total compensation for other key management		5,328	4,937	-	-
Total compensation for key management		15,335	13,494	4,628	4,094

NOTES TO THE FINANCIAL STATEMENTS - 31 DECEMBER 2025 (CONT'D)

SECTION 4: MATERIAL EVENTS AND RELATED PARTY DISCLOSURES (CONT'D)

4.3 RELATED PARTY DISCLOSURES (CONT'D)

(c) Material transactions and balances with the immediate holding company, subsidiaries, associates and a joint venture; and related companies

Relationships between the Company and its subsidiaries, associates and joint venture are disclosed in Notes 3.3 and 3.4 respectively. The following table sets out the transactions and outstanding balances entered into between the Company, immediate holding company, its subsidiaries, associates and joint venture; and related companies during the year.

Transactions and balances with OSK Holdings Berhad group of companies	Group			
	Income/(Expenses)		Amount due from/(to)	
	2025	2024	2025	2024
	RM'000	RM'000	RM'000	RM'000
<u>OSK Holdings Berhad</u>				
Dividend paid	(230,164)	-	-	-
Management fee expense	(2,192)	(2,832)	-	-
Amount due from immediate holding company	-	-	953	-
<u>OSK Capital Management Sdn. Bhd.</u>				
Interest income	1,766	1,813	-	-
Interest expense	(6,662)	(5,913)	-	-
Amount due from a related company	-	-	35,000	35,000
Amount due to a related company	-	-	(149,096)	(134,287)
<u>OSK Design Sdn. Bhd.</u>				
Renovation expense	(25,829)	(15,544)	-	-
Amount due to a related company	-	-	(685)	(1,132)
<u>OSK Management Services Sdn. Bhd.</u>				
Management fee expense	(5,778)	(5,538)	-	-
<u>OSK Realty Sdn. Bhd.</u>				
Office rental expense	(2,115)	(2,346)	-	-
<u>OSK Supplies Sdn. Bhd.</u>				
Purchase of building materials	(63,877)	(71,533)	-	-
Amount due to a related company	-	-	(6,340)	(7,803)

NOTES TO THE FINANCIAL STATEMENTS - 31 DECEMBER 2025 (CONT'D)

SECTION 4: MATERIAL EVENTS AND RELATED PARTY DISCLOSURES (CONT'D)

4.3 RELATED PARTY DISCLOSURES (CONT'D)

(c) Material transactions and balances with the immediate holding company, subsidiaries, associates and a joint venture; and related companies (Cont'd)

Relationships between the Company and its subsidiaries, associates and joint venture are disclosed in Notes 3.3 and 3.4 respectively. The following table sets out the transactions and outstanding balances entered into between the Company, immediate holding company, its subsidiaries, associates and joint venture; and related companies during the year. (Cont'd)

Transactions and balances with OSK Holdings Berhad group of companies (Cont'd)	Group			
	Income		Amount due from/(to)	
	2025	2024	2025	2024
	RM'000	RM'000	RM'000	RM'000
Transactions and balances with a joint venture				
<u>Scotia Acres Sdn. Bhd.</u>				
Dividend income	250	11,000	-	-

Transactions and balances with OSK Property Holdings Berhad group of companies	Group			
	Income		Amount due from	
	2025	2024	2025	2024
	RM'000	RM'000	RM'000	RM'000
<u>Aspect Potential Sdn. Bhd.</u>				
Construction revenue	104,533	117,751	-	-
Management fee income	3,915	3,882	-	-
Amount due from a related company	-	-	7,340	11,847
<u>Aspect Synergy Sdn. Bhd.</u>				
Construction revenue	93,668	105,949	-	-
Management fee income	3,993	3,957	-	-
Amount due from a related company	-	-	6,695	19,120
<u>Astana Harmoni Sdn. Bhd.</u>				
Management fee income	386	-	-	-
<u>Mori Park Sdn. Bhd.</u>				
Construction revenue	48,297	7,919	-	-
Management fee income	3,699	1,702	-	-
Amount due from a related company	-	-	8,826	1,125

NOTES TO THE FINANCIAL STATEMENTS - 31 DECEMBER 2025 (CONT'D)

SECTION 4: MATERIAL EVENTS AND RELATED PARTY DISCLOSURES (CONT'D)

4.3 RELATED PARTY DISCLOSURES (CONT'D)

(c) Material transactions and balances with the immediate holding company, subsidiaries, associates and a joint venture; and related companies (Cont'd)

Relationships between the Company and its subsidiaries, associates and joint venture are disclosed in Notes 3.3 and 3.4 respectively. The following table sets out the transactions and outstanding balances entered into between the Company, immediate holding company, its subsidiaries, associates and joint venture; and related companies during the year. (Cont'd)

Transactions and balances with OSK Property Holdings Berhad group of companies (Cont'd)	Group			
	Income		Amount due from	
	2025	2024	2025	2024
	RM'000	RM'000	RM'000	RM'000
<u>OSK Properties Sdn. Bhd.</u>				
Management fee income	1,572	2,319	-	-
<u>OSK Amanjaya Sdn. Bhd.</u>				
Management fee income	1,497	491	-	-
<u>Warisan Rajawali Sdn. Bhd.</u>				
Construction revenue	48,265	13,576	-	-
Management fee income	1,965	970	-	-
Amount due from a related company	-	-	4,604	1,888
<u>Jelang Vista Sdn. Bhd.</u>				
Construction revenue	25,285	41,480	-	-
Management fee income	932	1,518	-	-
Amount due from a related company	-	-	1,405	2,595
Transactions and balances with OSK Holdings Berhad	Company			
	Income/(Expenses)		Amount due from	
	2025	2024	2025	2024
	RM'000	RM'000	RM'000	RM'000
<u>OSK Holdings Berhad</u>				
Dividends paid	(230,164)	-	-	-
Transactions and balances with subsidiaries				
Dividend income	43,640	148,240	-	-
Management fee income	4,997	4,664	-	-
Amounts due from subsidiaries	-	-	10,994	28,944
Equity loan to a subsidiary	-	-	156,942	161,282

NOTES TO THE FINANCIAL STATEMENTS - 31 DECEMBER 2025 (CONT'D)**SECTION 4: MATERIAL EVENTS AND RELATED PARTY DISCLOSURES (CONT'D)****4.3 RELATED PARTY DISCLOSURES (CONT'D)****(d) Material transactions and balances with other related parties**

Other related parties are the companies related to a Director or a major Shareholder of the Company:

(i) Dindings Consolidated Sdn. Bhd. ("DCSB")

The spouse and daughter of Tan Sri Ong Leong Huat @ Wong Joo Hwa are directors of DCSB. Tan Sri Ong Leong Huat @ Wong Joo Hwa, his spouse and children collectively owned 100% of DCSB.

Dindings Consolidated Sdn. Bhd. group of companies	Group			
	Expenses		Amount due from/(to)	
	2025	2024	2025	2024
	RM'000	RM'000	RM'000	RM'000
<u>DC Services Sdn. Bhd.</u>				
Insurance premium expense	(468)	(555)	-	-
<u>Dindings Life Agency Sdn. Bhd.</u>				
Insurance premium expense	(974)	(880)	-	-
<u>Sincere Source Sdn. Bhd.</u>				
Insurance premium expense	(1,854)	(1,389)	-	-

(ii) Wong Enterprise

The brother of Tan Sri Ong Leong Huat @ Wong Joo Hwa is a partner of Wong Enterprise.

	Group			
	Income		Amount due from	
	2025	2024	2025	2024
	RM'000	RM'000	RM'000	RM'000
Sales of fresh fruit bunch	1,151	969	169	150

NOTES TO THE FINANCIAL STATEMENTS - 31 DECEMBER 2025 (CONT'D)**SECTION 4: MATERIAL EVENTS AND RELATED PARTY DISCLOSURES (CONT'D)****4.3 RELATED PARTY DISCLOSURES (CONT'D)****(d) Material transactions and balances with other related parties (Cont'd)**

Other related parties are the companies related to a Director or a major Shareholder of the Company: (Cont'd)

(iii) RHB Bank Berhad

An associate of the immediate holding company, OSK Holdings Berhad.

RHB Bank Berhad group of companies	Group			
	Income		Amount due from	
	2025	2024	2025	2024
	RM'000	RM'000	RM'000	RM'000
<u>RHB Bank Berhad</u>				
Bank balances and short-term funds	-	-	11,346	48,296
<u>RHB Asset Management Sdn. Bhd.</u>				
Funds distribution income	7,412	3,891	-	-
Short-term funds	-	-	367,143	237,492
RHB Bank Berhad group of companies	Company			
	Income		Amount due from	
	2025	2024	2025	2024
	RM'000	RM'000	RM'000	RM'000
<u>RHB Asset Management Sdn. Bhd.</u>				
Fund distribution income	3,155	1,113	-	-
Short-term funds	-	-	13,620	110,239

(e) Ultimate holding company

The Group and the Company do not have any related party transactions or outstanding balances with Yellow Rock (L) Foundation, the Company's ultimate holding company.

NOTES TO THE FINANCIAL STATEMENTS - 31 DECEMBER 2025 (CONT'D)**SECTION 5: COMMITMENTS, CONTINGENCIES AND LITIGATIONS**

This section provides additional information about items not recognised in the financial statements.

5.1 COMMITMENTS

This note outlines the Group's exposure to financial commitments.

(a) Operating lease commitments

This note provides information on operating lease commitments for leases where the Group is a lessor. The information for leases where the Group is a lessee are disclosed in Note 3.6.

For the non-cancellable lease arrangements on certain properties classified under investment properties. The aggregated future minimum lease receivables (undiscounted lease payment to be received) are as follows:

	Group	
	2025	2024
	RM'000	RM'000
Up to 1 year	3,192	2,375
Later than 1 year and not later than 5 years	8,223	7,937
More than 5 years	12,539	13,495
	23,954	23,807

Operating leases commitments analysed by business segments:

Property	23,182	23,506
Hospitality	772	301
	23,954	23,807

(b) Capital commitments

	Group	
	2025	2024
	RM'000	RM'000
Contracted but not provided for:		
- Acquisition of office equipment, factory equipment and software licences	8,618	885
- Factory expansion	654	1,254
- Renovation	1,379	12,922
	10,651	15,061

Capital commitments analysed by business segments:

Property	11	-
Industries	8,354	2,139
Hospitality	2,286	12,922
	10,651	15,061

NOTES TO THE FINANCIAL STATEMENTS - 31 DECEMBER 2025 (CONT'D)

SECTION 5: COMMITMENTS, CONTINGENCIES AND LITIGATIONS (CONT'D)

5.2 CONTINGENT ASSETS AND LIABILITIES

There were no contingent assets and liabilities at the end of the year.

Recognition and measurement

A contingent liability is a potential obligation from past events, confirmed by future uncertain events, or a present obligation not recognised due to an unlikely resource outflow. A contingent asset is a possible asset from past events, confirmed by future uncertain events. Both are disclosed in financial statements if economic benefits are probable, but not certain, and commitments are measured at the transacted price minus any amounts already provided.

5.3 MATERIAL LITIGATIONS

Since the date of the last annual report, the Group and the Company were not involved in any material litigation, claims or arbitration either as plaintiff or defendant and the Directors are not aware of any proceedings pending or threatened against the Group and the Company or of any facts likely to give rise to any proceeding which might materially and adversely affect the financial position or business operations.

NOTES TO THE FINANCIAL STATEMENTS - 31 DECEMBER 2025 (CONT'D)

SECTION 6: FINANCIAL REPORTING AND SUSTAINABILITY DISCLOSURE STANDARDS

This section summarises the key accounting policies adopted by the Group, including the adoption of amendments to existing MFRSs and sustainability disclosure standards issued by the ISSB that are applicable during the financial year. It also outlines standards and amendments that have been issued but are not yet effective and have not been adopted by the Group. The accounting policies and significant judgements disclosed in the respective notes form the overall basis of preparation of these financial statements, which the Directors consider essential for a proper understanding of the Group's financial position and performance.

6.1 FINANCIAL REPORTING STANDARDS ADOPTED DURING THE YEAR

The following amendments to published standards to the existing MFRS issued by MASB that are applicable and effective for the Group's financial year beginning on 1 January 2025:

Amendments to MFRS 121 'The Effects of Changes in Foreign Exchange Rates' (Lack of Exchangeability)

These amendments provide guidance on the spot exchange rate to use when a currency is not exchangeable into another currency, and the disclosures entities need to provide to enable users of financial statements to understand the impact on the entities' financial performance, financial position and cash flows as a result of a currency not being exchangeable into another currency.

The adoption of these amendments has no significant financial impact on the Group.

6.2 FINANCIAL REPORTING STANDARDS ISSUED BUT NOT YET EFFECTIVE

The following are standards, amendments to published standards and interpretations to existing MFRS issued by MASB that apply to the Group but are not yet effective for the current financial year:

(a) For the financial year beginning on/after 1 January 2026

(i) Amendments to MFRS 9 'Financial Instruments' and MFRS 7 'Financial Instruments: Disclosures' (Classification and Measurement of Financial Instruments)

The amendments:

- (1) Clarify that financial liabilities are derecognised on the 'settlement date'- when the obligation is discharged, cancelled, expires or otherwise qualifies for derecognition. Also, allow an accounting policy option to derecognise financial liabilities settled through electronic payment systems before the settlement date under certain conditions.

NOTES TO THE FINANCIAL STATEMENTS - 31 DECEMBER 2025 (CONT'D)

SECTION 6: FINANCIAL REPORTING AND SUSTAINABILITY DISCLOSURE STANDARDS (CONT'D)

6.2 FINANCIAL REPORTING STANDARDS ISSUED BUT NOT YET EFFECTIVE (CONT'D)

The following are standards, amendments to published standards and interpretations to existing MFRS issued by MASB that apply to the Group but are not yet effective for the current financial year: (Cont'd)

(a) For the financial year beginning on/after 1 January 2026 (Cont'd)

(i) Amendments to MFRS 9 'Financial Instruments' and MFRS 7 'Financial Instruments: Disclosures' (Classification and Measurement of Financial Instruments) (Cont'd)

The amendments: (Cont'd)

- (2) Guide on assessing the contractual cash flow characteristics of financial assets with ESG-linked or similar contingent features.
- (3) Explain the treatment of non-recourse assets and contractually linked instruments.
- (4) Require additional disclosures in MFRS 7 for financial assets and liabilities tied to contingent events (including ESG-linked terms) and for equity instruments classified at fair value through other comprehensive income.

(ii) Amendments to MFRS 9 'Financial Instruments' and MFRS 7 'Financial Instruments: Disclosures' (Contracts Referencing Nature-dependent Electricity)

The amendments to MFRS 9 apply to contracts tied to nature-dependent electricity, such as energy generated by renewable sources like solar and wind. These contracts expose entities to changes in electricity amounts due to uncontrollable natural conditions ("in-scope contracts"). MFRS 9 treats in-scope contracts for buying or selling non-financial items - if they can be settled in cash or financial instruments - as though they are financial instruments (following own-use requirements).

The amendments now allow entities to use contracts referencing nature-dependent electricity as hedging instruments for future electricity transactions. They can designate a variable amount of forecast electricity transactions as the hedged item, aligning this amount with the variable electricity expected to be generated as specified in the hedging instrument.

NOTES TO THE FINANCIAL STATEMENTS - 31 DECEMBER 2025 (CONT'D)

SECTION 6: FINANCIAL REPORTING AND SUSTAINABILITY DISCLOSURE STANDARDS (CONT'D)

6.2 FINANCIAL REPORTING STANDARDS ISSUED BUT NOT YET EFFECTIVE (CONT'D)

The following are standards, amendments to published standards and interpretations to existing MFRS issued by MASB that apply to the Group but are not yet effective for the current financial year: (Cont'd)

(a) For the financial year beginning on/after 1 January 2026 (Cont'd)

(ii) Amendments to MFRS 9 'Financial Instruments' and MFRS 7 'Financial Instruments: Disclosures' (Contracts Referencing Nature-dependent Electricity) (Cont'd)

Amendment to MFRS 7 adds new disclosures in a single note for:

- (1) Information about contractual features that expose:
 - i. variability in the underlying amount of electricity; and
 - ii. the risk that the entity would be required to buy electricity during a delivery interval in which the entity cannot use the electricity.
- (2) Information about unrecognised commitments arising from such contracts as at the reporting date, including:
 - i. the estimated future cash flows from buying electricity under these contracts. The entity shall apply its judgement when identifying the appropriate time bands within which to disclose the estimated future cash flows; and
 - ii. qualitative information about how the entity assesses whether a contract might become onerous, including the assumptions the entity uses in making this assessment.
- (3) Qualitative and quantitative information about the effects on the entity's financial performance for the reporting period. The disclosure is based on the information that is applicable to the reporting period that the entity used to assess whether it has been a net purchaser of electricity. An entity shall disclose information for the reporting period about:
 - i. the costs arising from purchases of electricity made under the contracts, disclosing separately how much of the purchased electricity was unused at the time of delivery;
 - ii. the proceeds arising from sales of unused electricity; and
 - iii. the cost arising from purchases of electricity is made to offset sales of unused electricity.

NOTES TO THE FINANCIAL STATEMENTS - 31 DECEMBER 2025 (CONT'D)

SECTION 6: FINANCIAL REPORTING AND SUSTAINABILITY DISCLOSURE STANDARDS (CONT'D)

6.2 FINANCIAL REPORTING STANDARDS ISSUED BUT NOT YET EFFECTIVE (CONT'D)

The following are standards, amendments to published standards and interpretations to existing MFRS issued by MASB that apply to the Group but are not yet effective for the current financial year: (Cont'd)

(a) For the financial year beginning on/after 1 January 2026 (Cont'd)

(iii) Amendments to MFRSs (Annual improvements to MFRS Accounting Standards - Volume 11)

These amendments are designed to enhance the clarity of the wording in MFRS Accounting Standards, or correct relatively minor unintended consequences, oversights or conflicts between requirements of the Accounting Standards. These proposed improvements are issued together in a single document. The amendments included in the annual improvements to MFRS Accounting Standards relate to MFRS 1 'First-time Adoption of Malaysian Financial Reporting Standards', MFRS 7 'Financial Instruments: Disclosures', MFRS 9 'Financial Instruments', MFRS 10 'Consolidated Financial Statements', MFRS 107 'Statement of Cash Flows' and MFRS 141 'Agriculture'.

The adoption of these amendments is not expected to have a material financial impact on the Group.

(b) For the financial year beginning on/after 1 January 2027

(i) Amendments to MFRS 19 'Subsidiaries Without Public Accountability: Disclosures'

These amendments permit eligible subsidiaries to provide reduced disclosures when applying MFRS Accounting Standards in their financial statements. Subsidiaries may apply MFRS 19 if they have no public accountability and their parent company applies MFRSs or IFRS Accounting Standards in its consolidated financial statements. A subsidiary has no public accountability if it does not have equities or debt listed in a public market (or is in the process of issuing such instruments for trading in a public market) or does not hold assets in a fiduciary capacity for a broad group of outsiders.

The adoption of these amendments is applicable only to subsidiaries and has no financial impact on the Group.

NOTES TO THE FINANCIAL STATEMENTS - 31 DECEMBER 2025 (CONT'D)

SECTION 6: FINANCIAL REPORTING AND SUSTAINABILITY DISCLOSURE STANDARDS (CONT'D)

6.2 FINANCIAL REPORTING STANDARDS ISSUED BUT NOT YET EFFECTIVE (CONT'D)

The following are standards, amendments to published standards and interpretations to existing MFRS issued by MASB that apply to the Group but are not yet effective for the current financial year: (Cont'd)

(b) For the financial year beginning on/after 1 January 2027 (Cont'd)

(ii) Amendments to MFRS 121 'The Effects of Changes in Foreign Exchange Rates' (Translation to a Hyperinflationary Presentation Currency)

These amendments clarify the translation requirements when an entity's presentation currency is the currency of a hyperinflationary economy. The amendments require all amounts, including assets, liabilities, equity items, income and expenses and, in certain cases, comparatives, to be translated at the closing rate at the date of the most recent statement of financial position. The amendments also address the accounting requirements when a presentation currency ceases to be hyperinflationary and introduce additional disclosure requirements when applying the revised translation approach.

The adoption of these amendments is not expected to have a material financial impact on the Group.

(c) Standard deferred to a date to be determined by MASB

Amendments to MFRS 10 'Consolidated Financial Statements' and MFRS 128 'Investments in Associates and Joint Ventures' (Sale or Contribution of Assets between an Investor and its Associate or Joint Venture)

These amendments address an acknowledged inconsistency between the requirements in MFRS 10 and those in MFRS 128, in dealing with the sale or contribution of assets between an investor and its associate or joint venture.

If a parent loses control of a subsidiary that does not contain a business, as defined in MFRS 3 'Business Combinations', as a result of a transaction involving an associate or a joint venture that is accounted for using the equity method, the gain or loss resulting from the transaction (including the amounts previously recognised in the statement of comprehensive income that would be reclassified to the statement of profit or loss) is recognised in the parent's statement of profit or loss only to the extent of the unrelated investors' interests in that associate or joint venture. The remaining part of the gain is eliminated against the carrying amount of the investment in that associate or joint venture.

NOTES TO THE FINANCIAL STATEMENTS - 31 DECEMBER 2025 (CONT'D)

SECTION 6: FINANCIAL REPORTING AND SUSTAINABILITY DISCLOSURE STANDARDS (CONT'D)

6.2 FINANCIAL REPORTING STANDARDS ISSUED BUT NOT YET EFFECTIVE (CONT'D)

The following are standards, amendments to published standards and interpretations to existing MFRS issued by MASB that apply to the Group but are not yet effective for the current financial year: (Cont'd)

(c) Standard deferred to a date to be determined by MASB (Cont'd)

Amendments to MFRS 10 'Consolidated Financial Statements' and MFRS 128 'Investments in Associates and Joint Ventures' (Sale or Contribution of Assets between an Investor and its Associate or Joint Venture) (Cont'd)

In addition, if the parent retains an investment in the former subsidiary and is treated as an associate or a joint venture under the equity method, the parent recognises the portion of the gain or loss resulting from the remeasurement of the retained investment at fair value in its statement of profit or loss only to the extent of the unrelated investors' interests in the new associate or joint venture. The remaining portion of that gain is eliminated against the carrying amount of the retained investment in the former subsidiary.

If the parent retains an investment in the former subsidiary that is accounted for under MFRS 9 as an investment, the part of the gain or loss resulting from the remeasurement at the fair value of the retained investment in the former subsidiary is recognised in full in the parent's statement of profit or loss.

The main consequence of the amendments is that a full gain or loss is recognised when a transaction involves a business (whether it is housed in a subsidiary or not), as defined in MFRS 3. A partial gain or loss is recognised when a transaction involves assets that do not constitute a business, even if these assets are housed in a subsidiary.

These amendments apply prospectively, but the effective date has been deferred.

NOTES TO THE FINANCIAL STATEMENTS - 31 DECEMBER 2025 (CONT'D)**SECTION 6: FINANCIAL REPORTING AND SUSTAINABILITY DISCLOSURE STANDARDS (CONT'D)****6.3 SUSTAINABILITY DISCLOSURE STANDARDS**

ISSB issued two new Sustainability Disclosure Standards on 26 June 2023 to guide the disclosures of sustainability-related financial information as follows:

IFRS S1 General Requirements for 'Disclosure of Sustainability-related Financial Information'
IFRS S2 'Climate-related Disclosures'

Based on the provided criteria, Main Market listed issuers with a market capitalisation of MYR 2 billion and above as of 31 December 2024 are subject to a phased implementation of sustainability standards. The Group is required to adopt climate-first reporting for annual reporting periods beginning on or after 1 January 2025. Subsequently, the full application of all requirements under both IFRS S1 and IFRS S2 will become mandatory for annual reporting periods beginning on or after 1 January 2027. Below are summarised disclosure requirements of IFRS S1 and IFRS S2 relating to the Group:

(a) Adoption of IFRS S2 'Climate-related Disclosures'

IFRS S2 establishes a global disclosure framework for climate-related financial information. The objective of IFRS S2 is to mandate disclosures on climate-related risks and opportunities that could reasonably be expected to influence cash flows, access to finance, or cost of capital, thereby affecting the entity's prospects and informing users' resource allocation decisions. Aligned with the core content of IFRS S1 — Governance, Strategy, Risk Management, and Metrics and Targets — the standard requires qualitative and quantitative information on both physical risks (such as extreme weather and long-term climatic shifts) and transition risks (arising from the shift to a lower-carbon economy), as well as climate-related opportunities. Disclosures are a mix of qualitative narrative and quantitative greenhouse gas emissions data categorised into Scope 1 (direct emissions), Scope 2 (indirect emissions from purchased energy), and Scope 3 (indirect emissions across the value chain).

The Group has adopted IFRS S2 'Climate-related Disclosures' for the first time for the financial year beginning on or after 1 January 2025. IFRS S2 requires disclosure of climate-related risks and opportunities that could reasonably be expected to affect the Group's cash flows, access to finance or cost of capital over the short, medium and long term. This adoption enhances transparency on how climate-related considerations are reflected in the Group's financial reporting estimates, assumptions and judgements.

NOTES TO THE FINANCIAL STATEMENTS - 31 DECEMBER 2025 (CONT'D)

SECTION 6: FINANCIAL REPORTING AND SUSTAINABILITY DISCLOSURE STANDARDS (CONT'D)

6.3 SUSTAINABILITY DISCLOSURE STANDARDS (CONT'D)

(a) Adoption of IFRS S2 'Climate-related Disclosures' (Cont'd)

The key financial statement areas impacted by the adoption of IFRS S2 are summarised below:

(i) Going Concern Assessment

In accordance with IFRS S2's requirement to disclose climate-related risks that could reasonably be expected to affect the Group's financial position, performance and future prospects, management assessed the potential impacts of climate-related physical and transition risks on the Group's ability to continue as a going concern. This assessment incorporated climate-related scenarios reflecting key risk drivers, including potential supply chain disruptions, evolving regulatory and policy requirements, and the financial effects of extreme weather events, with a focus on the Group's liquidity, operational resilience and access to financing over the assessment period.

Based on this evaluation, and having considered climate-related uncertainties in line with regulatory and sustainability reporting expectations, management concluded that no material uncertainties exist that would cast significant doubt on the Group's ability to continue as a going concern for at least 12 months from the reporting date. The relevant disclosures are presented in Note 1.2(d).

(ii) Impairment of Non-financial Assets

In line with MFRS 136 'Impairment of Assets' and IFRS S2's requirement to assess climate-related risks that may affect the Group's resilience and future cash flows, management evaluated whether climate-related physical and transition risks could give rise to impairment indicators for its non-financial assets and CGUs.

Cash-flow projections used in impairment testing incorporate climate-related assumptions, including the potential effects of exposure to flood-prone locations, regulatory changes, carbon-pricing mechanisms, evolving customer demand, and increased exposure to extreme weather events. Consistent with IFRS S2 requirements, these factors were reflected in key valuation inputs including discount rates, operating costs, capital expenditure and long-term growth assumptions.

Based on the Group's assessments, no impairment losses were recognised during the financial year. Nevertheless, sensitivity analyses indicate that more accelerated climate transition pathways could materially reduce the recoverable amounts of certain CGUs.

NOTES TO THE FINANCIAL STATEMENTS - 31 DECEMBER 2025 (CONT'D)

SECTION 6: FINANCIAL REPORTING AND SUSTAINABILITY DISCLOSURE STANDARDS (CONT'D)

6.3 SUSTAINABILITY DISCLOSURE STANDARDS (CONT'D)

(a) Adoption of IFRS S2 'Climate-related Disclosures' (Cont'd)

The key financial statement areas impacted by the adoption of IFRS S2 are summarised below:
(Cont'd)

(ii) Impairment of Non-financial Assets (Cont'd)

The Group reassessed the estimated useful lives and residual values of assets to assess potential impacts arising from both physical climate risks (such as heatwaves, water scarcity and flooding) and transition risks (including climate-related policies, regulatory developments, and technological changes). Climate-related matters may shorten asset lives, reduce residual values, or restrict asset use due to legal, environmental or market changes, including shifts in customer preferences and decarbonisation pathways.

For the current financial year, the assessments did not result in changes to depreciation or amortisation schedules; however, assets with higher carbon intensity or exposure to physical climate risks have been identified for enhanced monitoring. The relevant assets, assumptions and disclosures are presented in property, plant and equipment [Note 3.1(a)], investments in subsidiaries [Note 3.3(a)], investments in associates and a joint venture [Note 3.4(a)], intangible assets [Note 3.5(a)] and right-of-use assets [Note 3.6(a)(i)].

(iii) Investment Properties

In accordance with MFRS 140 'Investment Property', MFRS 13 'Fair Value Measurement' and IFRS S2, the Group has assessed the potential impact of climate-related physical and transition risks on the valuation of its investment property portfolio. These risks include exposure to flood-prone locations, evolving regulatory requirements for energy efficiency, and shifts in tenant demand towards more sustainable and lower-emission buildings.

Where relevant, climate-related considerations were incorporated into the Group's market-based valuation assessments, including building energy performance and planned sustainability enhancements such as solar installations, LED lighting upgrades and motion-sensor systems. Based on the Group's assessment, no material fair value adjustments were recognised in the current financial year. The relevant disclosures are provided in Note 3.2(a).

NOTES TO THE FINANCIAL STATEMENTS - 31 DECEMBER 2025 (CONT'D)

SECTION 6: FINANCIAL REPORTING AND SUSTAINABILITY DISCLOSURE STANDARDS (CONT'D)

6.3 SUSTAINABILITY DISCLOSURE STANDARDS (CONT'D)

(a) Adoption of IFRS S2 'Climate-related Disclosures' (Cont'd)

The key financial statement areas impacted by the adoption of IFRS S2 are summarised below:
(Cont'd)

(iv) Fair Value Measurement

In accordance with MFRS 13 'Fair Value Measurement' and IFRS S2's requirements to disclose climate-related risks that could reasonably be expected to affect the Group's financial position and prospects, the Group considered whether climate-related factors influence the fair value of its assets and liabilities. Such factors may affect market participants' assumptions, projected cash flows, and discount rates, including the incorporation of transition and physical climate risk premiums.

Where material, climate-related uncertainties were reflected in the valuation models used for fair value measurements, particularly for assets classified as Level 3 within the fair value hierarchy. The Group ensured that unobservable inputs were consistent with assumptions that market participants would use when pricing climate-related risks. The relevant disclosures are provided in investment properties [Note 3.2(a)] and biological assets [Note 3.15(c)].

(v) Leases

In accordance with MFRS 16 'Leases' and IFRS S2's requirements, the Group assessed whether climate-related physical and transition risks could affect key lease assumptions. Such factors may influence lease term estimates, including renewal and termination options, variable lease payments linked to energy usage or emissions, and the recoverability of right-of-use assets due to climate-related operational or regulatory changes.

As at 31 December 2025, no impairment of right-of-use assets was identified. However, the Group updated its lease term assessments to reflect climate-related considerations where relevant. The related disclosures are presented in Note 3.6(a)(ii).

(vi) Inventories

In accordance with MFRS 102 'Inventories' and IFRS S2's requirements, the Group assessed whether climate-related physical and transition risks could affect the measurement of its inventories, including net realisable value and costs of completion. Climate-related matters may influence construction and production costs, development timelines, supply chain stability, regulatory compliance requirements and market demand.

NOTES TO THE FINANCIAL STATEMENTS - 31 DECEMBER 2025 (CONT'D)

SECTION 6: FINANCIAL REPORTING AND SUSTAINABILITY DISCLOSURE STANDARDS (CONT'D)

6.3 SUSTAINABILITY DISCLOSURE STANDARDS (CONT'D)

(a) Adoption of IFRS S2 'Climate-related Disclosures' (Cont'd)

The key financial statement areas impacted by the adoption of IFRS S2 are summarised below:
(Cont'd)

(vi) Inventories (Cont'd)

For land held for development and property development expenditure, the Group incorporated climate-related considerations into its net realisable value and impairment assessments. Key factors considered included stricter building energy-efficiency regulations, higher costs associated with green building compliance and climate-resilient infrastructure, potential obsolescence of less energy-efficient designs, and increased exposure to physical risks such as flooding, stormwater runoff and erosion. The Group also considered the impact of climate risk zoning on achievable selling prices and the potential for delays in development approvals arising from sustainability-related regulatory requirements. These factors may increase development costs or reduce market demand for non-compliant properties.

For manufacturing inventories, climate-related physical risks such as heatwaves, water scarcity and flooding may disrupt supply chains and increase input costs, while transition policies, including emissions limits, may affect production processes and require re-engineering of product components. For construction materials such as precast panels and IBS components, climate-related factors may also influence cost volatility, material availability and demand for lower-carbon products. To manage these risks, the Group has invested in a new manufacturing plant producing expanded clay products for use in lightweight concrete wall systems that support more sustainable construction.

Based on the Group's assessment for the current financial year, no further write-downs were recognised. However, climate-related cost, regulatory and demand factors have been incorporated into the Group's impairment triggers and net realisable value assessment models [Note 3.7(a)].

(vii) Deferred Tax

In accordance with MFRS 112 'Income Taxes' and IFRS S2's requirements, the Group assessed whether climate-related physical and transition risks could affect the recognition and measurement of deferred tax assets and liabilities. Climate-related impacts on key accounting estimates, including impairment assessments, fair value measurements, decommissioning provisions and inventory net realisable value, may give rise to changes in temporary differences and influence the recoverability of deferred tax balances.

NOTES TO THE FINANCIAL STATEMENTS - 31 DECEMBER 2025 (CONT'D)

SECTION 6: FINANCIAL REPORTING AND SUSTAINABILITY DISCLOSURE STANDARDS (CONT'D)

6.3 SUSTAINABILITY DISCLOSURE STANDARDS (CONT'D)

(a) Adoption of IFRS S2 'Climate-related Disclosures' (Cont'd)

The key financial statement areas impacted by the adoption of IFRS S2 are summarised below:
(Cont'd)

(vii) Deferred Tax (Cont'd)

The Group also reassessed forecasts of future taxable profits under climate-related transition scenarios to evaluate the continued recognition of deferred tax assets. Based on this assessment, no material adjustments to the Group's deferred tax balances were required for the current financial year [Note 3.8(a)].

(viii) Measurement of Financial Instruments

In applying MFRS 9 'Financial Instruments', the Group considered whether climate-related factors could reasonably be expected to affect the measurement and classification of its financial assets and financial liabilities, including the estimation of expected credit losses. Climate-related risks, such as counterparties' exposure to transition risks, carbon-intensive activities (where applicable), regulatory changes and physical climate hazards, may affect borrowers' ability to meet their contractual obligations and, consequently, the Group's credit risk exposure, as well as the valuation and risk profile of its financial liabilities.

Based on the Group impairment assessment in accordance with the relevant requirements, no material adjustments to expected credit losses were required in the current year; however, climate-risk indicators have been incorporated into the Group's forward-looking macroeconomic overlays and considered, where relevant, in assessing the measurement and risk exposure of financial liabilities. The relevant details are disclosed in right-of-use assets/lease liabilities [Note 3.6(a)], trade receivables [Note 3.9(a)], amounts due from/to related companies [Note 3.11(a)], amounts due from subsidiaries [Note 3.12(a)], other assets [Note 3.13(a)], contract assets [Note 3.14(a)], trade payables [Note 3.18(a)] and other payables [Note 3.19(a)].

(ix) Biological Assets

In accordance with MFRS 141 'Agriculture', MFRS 13 'Fair Value Measurement' and IFRS S2's requirements, the Group assessed the potential impacts of climate-related physical and transition risks on the valuation of its biological assets. These risks include changes in temperature and rainfall patterns, droughts, pest infestations, flooding and evolving regulatory requirements, all of which may affect crop yields, input costs, remediation requirements and fair value less costs to sell.

NOTES TO THE FINANCIAL STATEMENTS - 31 DECEMBER 2025 (CONT'D)

SECTION 6: FINANCIAL REPORTING AND SUSTAINABILITY DISCLOSURE STANDARDS (CONT'D)

6.3 SUSTAINABILITY DISCLOSURE STANDARDS (CONT'D)

(a) Adoption of IFRS S2 'Climate-related Disclosures' (Cont'd)

The key financial statement areas impacted by the adoption of IFRS S2 are summarised below:
(Cont'd)

(ix) Biological Assets (Cont'd)

Where relevant, the Group incorporated climate-adjusted assumptions into its fair value models, including expected yield estimates and market participant inputs for assets classified within Level 3 of the fair value hierarchy. Based on the assessment for the current financial year, no material changes to the fair values of biological assets were recognised. The relevant disclosures are provided in Note 3.15(c).

(x) Environmental and Decommissioning Provisions

In adopting IFRS S2, the Group reassessed whether all environmental, restoration and decommissioning obligations have been appropriately identified and measured. Climate-related physical and transition risks, including changes in environmental regulations, increased frequency of extreme weather events, and evolving decarbonisation requirements, may give rise to new or expanded obligations over the life of certain assets.

Based on the Group's assessment for the current financial year, no new environmental or decommissioning provisions were recognised, as the Group's key assets are not currently subject to material climate-related regulatory changes or significant physical climate risks. Nevertheless, enhanced disclosures have been provided to explain the key assumptions, estimation uncertainties and potential climate-related triggers that could give rise to future obligations. The relevant details are disclosed in Note 3.20(a).

In summary, the adoption of IFRS S2 has enhanced the Group's identification, assessment and disclosure of climate-related risks and opportunities and their potential financial impacts across the financial statements. While no material adjustments to carrying amounts were required in the current year, IFRS S2 has strengthened the integration of climate-related considerations into key accounting estimates, assumptions and judgements, improved the transparency and consistency of related disclosures, and reinforced the alignment between the Group's sustainability reporting and financial information provided to stakeholders.

NOTES TO THE FINANCIAL STATEMENTS - 31 DECEMBER 2025 (CONT'D)

SECTION 6: FINANCIAL REPORTING AND SUSTAINABILITY DISCLOSURE STANDARDS (CONT'D)

6.3 SUSTAINABILITY DISCLOSURE STANDARDS (CONT'D)

(b) IFRS S1 General Requirements for 'Disclosure of Sustainability-related Financial Information'

IFRS S1 provides a set of disclosure requirements designed to communicate to investors about the sustainability-related risks and opportunities that the entity faces over the short, medium and long term. IFRS S2 sets out specific climate-related disclosures and is designed to be used with IFRS S1. Both fully incorporate the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD).

The objective of IFRS S1 is to disclose information about its sustainability-related risks and opportunities that are useful to users of general-purpose financial reports in making decisions relating to providing resources to the entity.

IFRS S1 requires disclosure of information about all sustainability-related risks and opportunities that could reasonably be expected to affect the entity's cash flows, its access to finance or the cost of capital over the short, medium or long term (collectively referred to as 'sustainability-related risks and opportunities that could reasonably be expected to affect the entity's prospects').

IFRS S1 prescribes how an entity prepares and reports its sustainability-related financial disclosures. It sets out general requirements for the content and presentation of those disclosures so that the information disclosed is useful to users in making decisions relating to providing resources to the entity.

IFRS S1 sets out the requirements for disclosing information about sustainability-related risks and opportunities, such as disclosures about:

- (i) Governance - the governance processes, controls and procedures the entity uses to monitor, manage and oversee sustainability-related risks and opportunities;
- (ii) Strategy - the entity's strategy for managing sustainability-related risks and opportunities;
- (iii) Risk Management - the processes the entity uses to identify, assess, prioritise and monitor sustainability-related risks and opportunities; and
- (iv) Metrics and Targets - the entity's performance in relation to sustainability-related risks and opportunities, including progress towards any targets the entity has set or is required to meet by law or regulation.