PROTASCO BERHAD
200101012322 (548078-H)

ANNUAL
REPORT
2024

Beyond Now

redefining tomorrow

pro · tas · co
prəʊˈtɑːskəʊ

noun.

Protasco commits to innovation, sustainability, and long-term growth through a forward-thinking approach, embracing digital transformation, ESG initiatives, and diversification into emerging sectors. By strengthening corporate values, fostering stakeholder trust, and expanding its market presence, Protasco aims to set new industry standards and build a resilient future.

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24th ANNUAL GENERAL MEETING

VENUE
Conference Hall, 1st floor
Corporate Building
Unipark Suria
Jalan Ikram-Uniten
43000 Kajang, Selangor

DATE
29 May 2025, Thursday

TIME
11.00 a.m.

CROSS REFERENCE

This icon indicates where more details can be accessed elsewhere in this report.

This icon indicates where more details can be accessed online.

DIGITAL VERSION OF ANNUAL REPORT 2024

Run the QR Code Reader app and point your camera to the QR Code.

Download the "QR Code Reader" on App Store or Google Play.

Get access to the soft copy of the Annual Report.

The softcopy version of Protasco Berhad Annual Report 2024 is available on our website

www.protasco.com.my

BEYOND NOW

redefining tomorrow

The cover design embraces a clean, minimalist aesthetic with structured typography in a dictionary-style layout.

Emphasising "BEYOND now, redefining tomorrow," the design reflects Protasco's professionalism, credibility, and a no-nonsense commitment to responsibility, through a forward-looking mindset that is ready to take on the future.

The paper and colour choices embody sophistication and a bold departure from the usual standards, setting us apart in an industry where tradition often prevails. This deliberate selection reflects our commitment to innovation, distinction, and a refined aesthetic that challenges expectations.

In our journey towards FY2025 and beyond,

we will continue to pursue value creation, business sustainability, and viable growth strategies for all the business segments of the Group. While certain aspects of the business encountered challenging environment, the Board is confident of the adaptable business strategies to be deployed and remain resilient of the Group's prospects.

CORE VALUES

I

01 Result Oriented

- Stretch - Good to great
- Innovate
- Commitment

02 Ownership

- Accountable for outcomes
- Passionate in task execution
- Take pride - I Am Protasco

03 Customer Focused

- Wow them
- Create value
- Respect

04 Knowledge Driven

- Knowledge sharing
- Continual education
- Career development

05 Integrity

- Do the right thing
- Trustworthy
- Transparent

06 Teamwork

- Robust communication
- Committed to team decisions
- Active participation

PROTASCO BERHAD'S CRITICAL SUCCESS FACTORS

II

- Talent Management
- Culture Transformation
- Business Process Innovation
- Business Sustainability
- Digitalisation

NEW STRATEGIC GOALS

III

- To obtain healthy financial improvements
- To build skilled & high performance talent by optimising the ROCK IT values
- To add value to work processes
- To achieve process and technology efficiencies through digitalisation
- To improve customer satisfaction and experience

CORPORATE INFORMATION

BOARD OF DIRECTORS

01 **DATO' SRI IR CHONG KET PEN**
Executive Chairman

02 **DATO' IR KENNY CHONG THER NEN**
Group Managing Director

03 **DATO' SRI SU-AZIAN @ MUZAFFAR SYAH BIN ABD RAHMAN**
Executive Director

04 **SUHAIMI BIN BADRUL JAMIL**
Senior Independent Non-Executive Director

05 **THAM WEI MEI**
Independent Non-Executive Director

06 **CELINE CHAN HOOI LI**
Independent Non-Executive Director

07 **KHOO SIANG HSI @ KHOO CHEN NAN**
Independent Non-Executive Director

COMPANY SECRETARIES

Khor Hooi Ling
MAICSA 7014879
SSM Practicing Certificate No:
202008000854

Seow Fei San
MAICSA 7009732
SSM Practicing Certificate No:
201908002299

REGISTERED OFFICE

802, 8th Floor, Block C
Kelana Square
17, Jalan SS7/26
47301 Petaling Jaya
Selangor Darul Ehsan
Malaysia
Tel : 603 7803 1126
Fax : 603 7806 1387
Email : eadvisory@epsilonas.com

PRINCIPAL OFFICES

Corporate Office
Unipark Suria
Jalan Ikram-Uniten
43000 Kajang
Selangor Darul Ehsan
Malaysia
Tel : 603 8738 3388

Kuala Lumpur Office
87, Jalan Kampung Pandan
55100 Kuala Lumpur Malaysia
Tel : 603 9286 4050
Web : www.protasco.com.my
Email : ccd@protasco.com.my

REGISTRAR

Boardroom Share Registrars Sdn Bhd
11th Floor, Menara Symphony
No.5, Jalan Professor Khoo Kay Kim
Seksyen 13
46200 Petaling Jaya
Selangor Darul Ehsan
Malaysia
Tel : 603 7890 4700
Fax : 603 7890 4670
Email : bsr.helpdesk@boardroomlimited.com

PRINCIPAL BANKERS

Alliance Bank Malaysia Berhad
AmBank (M) Berhad
Hong Leong Bank Berhad
OCBC Bank (Malaysia) Berhad
RHB Bank Berhad
UOB (Malaysia) Berhad

AUDITORS

Crowe Malaysia PLT
201906000005
(LLP0018817-LCA) & AF 1018
Chartered Accountants
Level 16, Tower C
Megan Avenue II
12, Jalan Yap Kwan Seng
50450 Kuala Lumpur
Malaysia

STOCK EXCHANGE LISTING

Main Board
Bursa Malaysia Securities Berhad
Listed
Since : 8 August 2003
Stock Name : PRTASCO
Stock Code : 5070

CORPORATE STRUCTURE

PROTASCO BERHAD

100% Protasco Infra Sdn Bhd
- 51% Empayar Indera Sdn Bhd

100% Protasco Development Sdn Bhd
- 100% De Centrum Development Sdn Bhd
- 100% De Centrum Land Sdn Bhd
- 100% Sun Rock Development Sdn Bhd
- 100% DC Resort Homes Sdn Bhd

100% Kumpulan Ikram Sdn Bhd
- 10% Ikram Education Sdn Bhd

100% HCM Engineering Sdn Bhd
- 70% Permint Granite - HCM Sdn Bhd
- 51% Roadcare (M) Sdn Bhd
- 30% DAL HCM Sdn Bhd
- 30% PJP Barisan HCM JV Sdn Bhd

100% Ikram Greentech Sdn Bhd
- 51% i2 Energy Sdn Bhd
  - 100% Solarcap Sdn Bhd
- 44% i2 Solarpark One Sdn Bhd

100% Ikram Works Sdn Bhd
- 100% Ikram Engineering Services Sdn Bhd
- 100% Ikram QA Services Sdn Bhd
- 100% Ikram Paves Sdn Bhd
- 100% Ikram Engineering Consulting Sdn Bhd
- 60% Kumpulan Ikram (Sabah) Sdn Bhd
- 30% Kumpulan Ikram (Sarawak) Sdn Bhd
- 30% Ikram Premier Consulting Sdn Bhd

100% Protasco Trading Sdn Bhd
- 100% QP Industries Sdn Bhd
- 100% QP Trading Sdn Bhd

Main Business Segments

- *Construction*
- *Maintenance*
- *Property Development*
- *Education*
- *Hotel & Hospitality*
- *Clean Energy*
- *Trading & Manufacturing*
- *Engineering & Consultancy Services*

Note:
This structure depicts main operating subsidiaries and associates companies only.

OUR PRESENCE

Protasco Berhad focusses its operations and projects primarily within Malaysia. The locations of our business unit are shown below.

Ipoh

01 Empayar Indera Sdn Bhd

Kuching

02 DAL HCM Sdn Bhd

03 PJP Barisan HCM JV Sdn Bhd

04 Kumpulan Ikram (Sarawak) Sdn Bhd

Kuala Terengganu

05 Permint Granite-HCM Sdn Bhd

Kota Kinabalu

06 Kumpulan Ikram (Sabah) Sdn Bhd

Kuala Lumpur

07 Ikram Greentech Sdn Bhd

08 i2 Energy Sdn Bhd

09 Solarcap Sdn Bhd

10 i2 Solarpark One Sdn Bhd

11 Roadcare (M) Sdn Bhd

Selangor

12 Protasco Trading Sdn Bhd

13 QP Industries Sdn Bhd

14 QP Trading Sdn Bhd

15 Protasco Infra Sdn Bhd

16 Protasco Development Sdn Bhd

17 De Centrum Development Sdn Bhd

18 De Centrum Land Sdn Bhd

19 Sun Rock Development Sdn Bhd

20 DC Resort Homes Sdn Bhd

21 HCM Engineering Sdn Bhd

22 Ikram Education Sdn Bhd

23 Kumpulan Ikram Sdn Bhd

24 Ikram Works Sdn Bhd

25 Ikram Engineering Services Sdn Bhd

26 Ikram QA Services Sdn Bhd

27 Ikram Paves Sdn Bhd

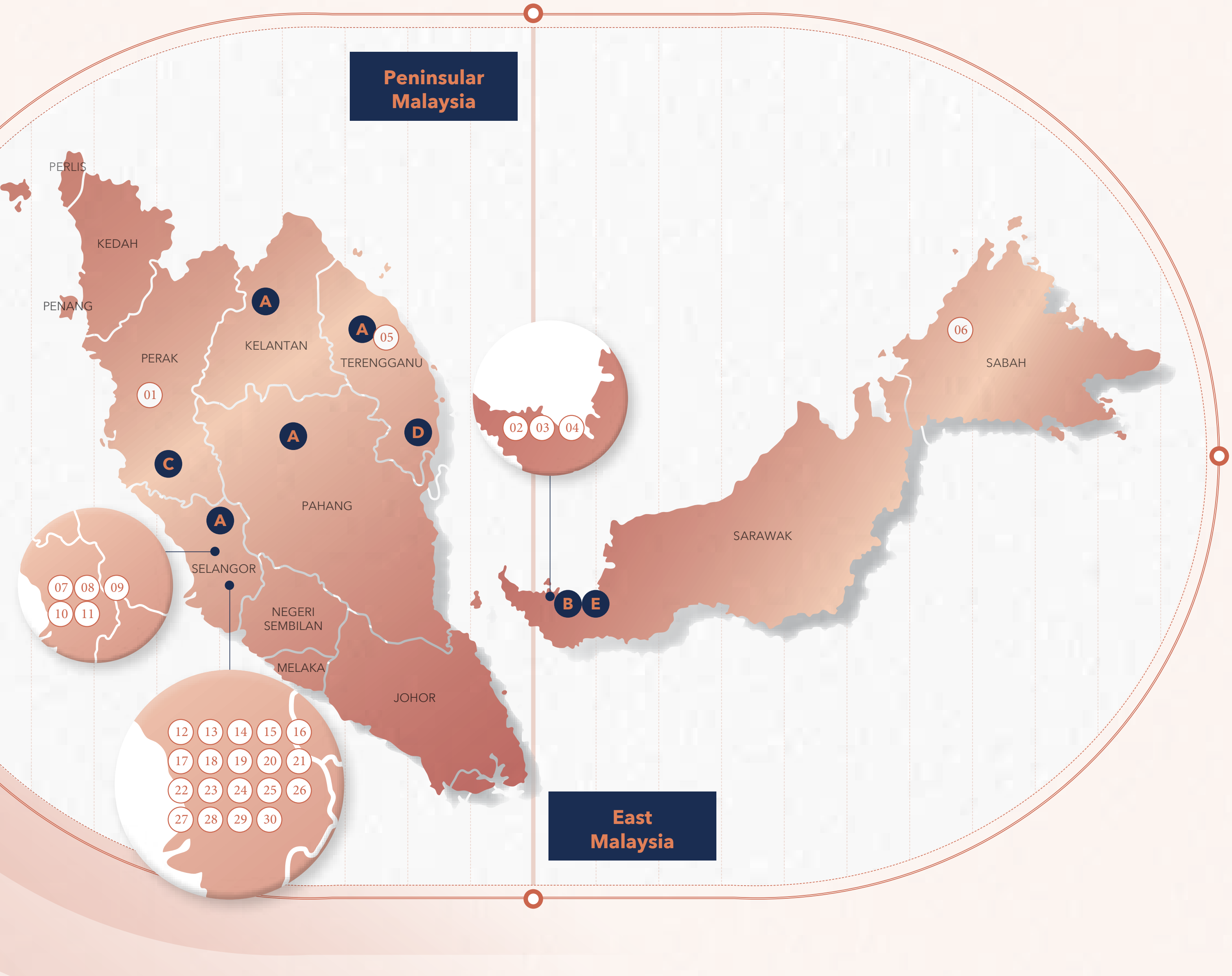
28 Ikram Engineering Consulting Sdn Bhd

29 Ikram Premier Consulting Sdn Bhd

30 Ikram Skills Academy Sdn Bhd

The Maintenance Division's operating sites can be further delineated based on the regions where road maintenance work is conducted. The following provides details on the locations of the companies within the division, and the approximate length of roads being maintained.

A	B	C	C	D	E
Roadcare (M) Sdn Bhd	**DAL HCM Sdn Bhd**	**Empayar Indera Sdn Bhd**	**Empayar Indera Sdn Bhd**	**Permint Granite-HCM Sdn Bhd**	**PJP Barisan HCM JV Sdn Bhd**
Federal Roads Maintenance	Federal Roads Maintenance				
• Kelantan • Terengganu • Pahang • Selangor	• Kuching to Lawas	• JKR Road	• JPS Road	• Terengganu Rural Roads	• Sarawak State Road – Mukah Division
Total Road Length: **7,263 km**	Total Road Length: **751 km**	Total Road Length: **1,959 km**	Total Road Length: **3,191 km**	Total Road Length: **2,500 km**	Total Road Length: **820 km**



QUICK FACTS 2024

MAINTENANCE

The Maintenance Division delivers road maintenance solutions to Federal and State Governments and local agencies, managing over 16,000 km of roads through long-term contracts extending to 2029.

ISO 9001	Empayar Indera Sdn Bhd Roadcare (M) Sdn Bhd
ISO 45001	Roadcare (M) Sdn Bhd

CONSTRUCTION

The Construction Division specialises in building and infrastructure projects, with a strong track record in road and highway construction, rehabilitation, and upgrading. Notable completed projects include the Park Inn by Radisson Putrajaya, PPAM government housing in Putrajaya, Unipark Apartments, and Key infrastructure works across Malaysia. Current projects include Jade Hill in Tampin and road upgrades for Federal Road FT 004 in Kulim, Kedah.

ISO 9001	
ISO 14001	HCM Engineering Sdn Bhd
ISO 45001	

PROPERTY DEVELOPMENT

Property Development is a key focus for our Group, with ongoing projects like the 137-acre Jade Hill in Tampin, set for phased completion between August 2024 and Q2 2025, and the recently completed Sentrio Business Park in Pasir Gudang.

HOTEL & HOSPITALITY

Park Inn by Radisson Putrajaya, Protasco's hospitality arm, offers modern amenities and top-tier service near Malaysia's administrative hub. Recognised with multiple awards in FY2023, it stands among Malaysia's best 4-star hotels.

CLEAN ENERGY

The Clean Energy Division specialises in world-class solar EPCC solutions, operating a 9MWdc solar plant in Melaka and delivering high-quality solar projects under major energy partnerships.

ENGINEERING & CONSULTANCY SERVICES

The Engineering & Consultancy Services Division offers comprehensive engineering solutions, including consultancy, laboratory services, project management, and professional training, ensuring dynamic and adaptive expertise.

ISO9001	Ikram Engineering Services Sdn Bhd Ikram Paves Sdn Bhd
ISO 17025	Ikram Paves Sdn Bhd Ikram QA Services Sdn Bhd
ISO 17065	Ikram QA Services Sdn Bhd
CIDB G3/SPKK	Ikram Engineering Services Sdn Bhd
CIDB G7	Kumpulan Ikram Sdn Bhd
BEM	Ikram Premier Consulting Sdn Bhd Ikram Engineering Consulting Sdn Bhd

TRADING & MANUFACTURING

The Trading & Manufacturing Division specialises in supplying and distributing high-quality construction and highway safety products, backed by strong industry expertise and global partnerships.

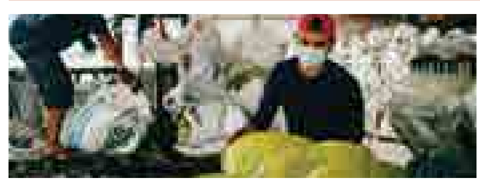
ISO 9001	Protasco Trading Sdn Bhd

EDUCATION

Infrastructure University Kuala Lumpur (IUKL) offers quality education with global recognition and is accredited by MOHE, MQA, and various professional bodies for over two decades.

ISO 9001	Ikram Engineering Services Sdn Bhd

AGRIVENTURE



The Group's agriventure activities specialises in food processing, preserving and packaging of tropical fruits like durian and jackfruit. With a commitment to quality, it follows GMP, HACCP, and FSSC 22000 standards to produce fresh and frozen fruit products, juices, and purees.

STRATEGIC MODEL

INNOVATE

INTEGRATE

ELEVATE

ENGINEERING THE FUTURE WITH CUSTOMER SYNERGY FOR PROGRESS AND QUALITY LIVING

Our aspiration is to become a globally recognised conglomerate, dedicated to fostering growth and providing value for an enhanced quality of life. This vision serves as a compass for daily operations and business decisions. The realignment of our strategic focus with this sustainable vision emphasises a commitment to stakeholder well-being, social and environmental initiatives, and the creation of value to augment our current profitable performance for better customer value.

By widely disseminating this vision throughout our business operations, core competencies are further fortified through the implementation of the 5 Critical Success Factors (5CSF) and 5 Sustainable Goals (5SG), with constant monitoring of performance and financial outcomes.

STRATEGIC FOCUS

Protasco Berhad takes the lead by redefining its **STRATEGIC FOCUS** and adding value to its target market segments both locally and internationally. The overarching theme guiding the entire Protasco Group of Companies is **CUSTOMER DRIVEN**. Our Strategic Business Planning Process aims to navigate towards our goals through identified critical success factors and sustainability goals, encompassing self realisation, visionary innovation, business strategies, and progress tracking.

While certain strategic business units may encounter challenges, the overall growth in Group's revenue and margin is commendable, and expected to achieve positive economic value added (EVA) for the years 2025 – 2026. Moving forward, overcoming these challenges requires additional effort and teamwork to sustain a positive EVA.

As for EVA (refer to the economic performance section under the sustainability statement).

CSF1
TALENT MANAGEMENT

CSF2
CULTURE TRANSFORMATION

CSF3
DIGITALISATION

CSF4
BUSINESS SUSTAINABILITY

CSF5
BUSINESS PROCESS INNOVATION

ECONOMIC VALUE ADDED (EVA)

SG1
Human Capital Development

SG2
Digitalisation for Better Stakeholder Experience

SG3
Humanity Care & Support

SG4
Preservation & Conservation

SG5
Compliance & Integrity

01 Cultivate an environment that promotes inclusivity, diversity, and innovation while dedicating resources to the training and development of employees, aiming to enhance their skills and knowledge.

02 Cultivate a culture of ongoing innovation, guided by customer insights and strict adherence to compliance, to create integrated products and services that provide customers with comprehensive solutions.

03 Prioritise the enhancement of customer experiences and business processes across all touchpoints by leveraging on the technology to create innovative solutions that resonate with customer demands.

04 Foster collaboration and synergy between the company and its stakeholders and explore solutions that address societal challenges and enhance the well-being of communities.

05 Integrate sustainable and environmentally friendly practices into corporate strategies and business operations for a positive impact through engagement and partnerships with stakeholders to foster progress at both the company and community levels.

OUR CORE COMPETENCIES

As a cohesive entity, the Protasco Group of Companies has pinpointed operational efficiency, cost control, a robust brand portfolio, customer relationships, and technological enablement as the foundational strengths propelling our continuous growth across the sectors that we engage in.

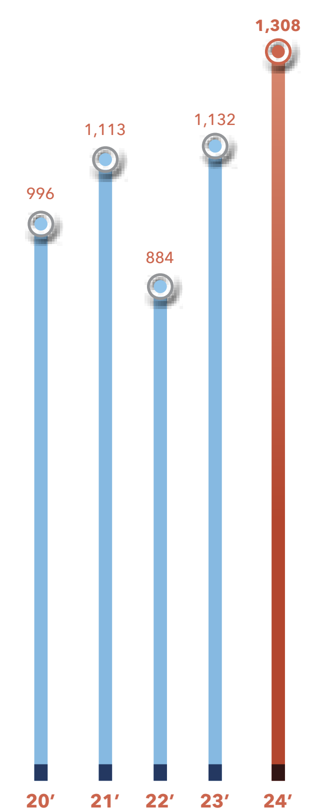
These fundamental advantages have been further delineated into 5 Critical Success Factors (CSF) and 5 Sustainable Goals (SG), accompanied by established Key Performance Indicators (KPIs). Detailed insights can be found in the Sustainability Statement Section.

GROUP FINANCIAL HIGHLIGHTS

YEAR ENDED 31 DECEMBER	2020	2021	2022	2023	2024
Revenue (RM'000)	996,181	1,112,846	883,943	1,131,559	**1,307,638**
Operating Profit (RM'000)	40,235	62,879	6,636	35,822	**84,806**
Profit/(Loss) After Tax (RM'000)	(7,026)	38,406	(24,222)	21,073	**55,456**
Profit/(Loss) After Tax & Non-Controlling Interest (RM'000)	(25,233)	16,697	(29,376)	6,682	**25,373**
Earnings/(Loss) Per Share (sen)	(5.23)	3.47	(6.10)	1.39	**5.26**
Net Assets Per Share (RM)	0.63	0.66	0.60	0.61	**0.66**

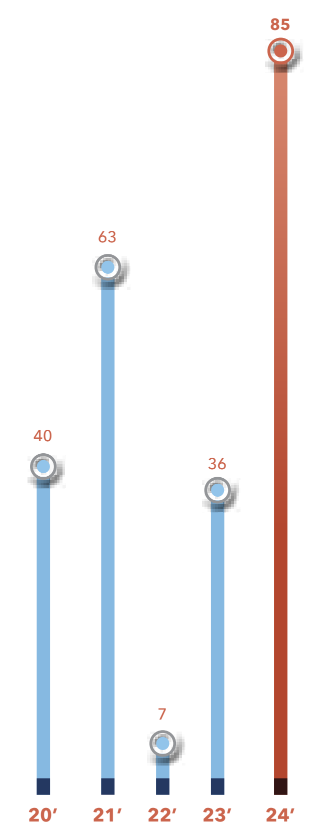
REVENUE
(RM'Million)

RM1,308
million



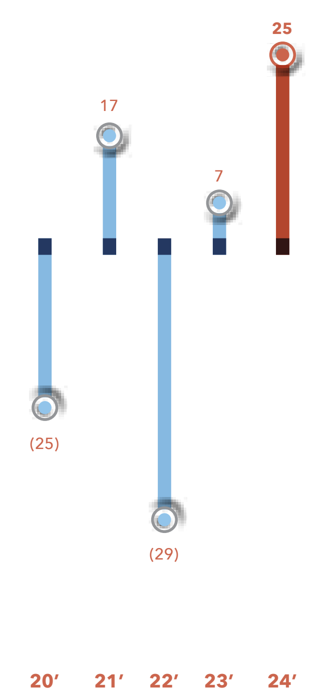
OPERATING PROFIT
(RM'Million)

RM85
million



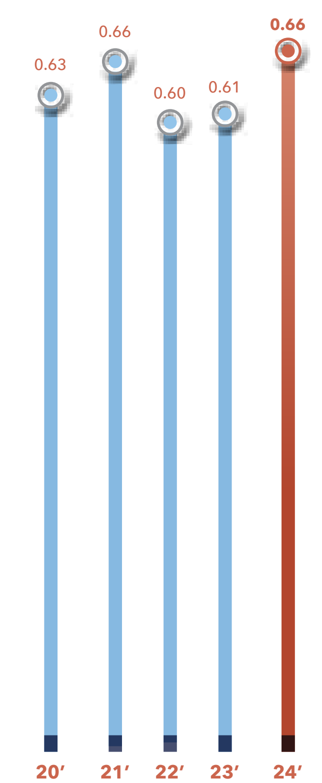
PROFIT / (LOSS) AFTER TAX & NON CONTROLLING INTEREST
(RM'Million)

RM25
million



NET ASSETS PER SHARE
(RM)

RM0.66



DATO' SRI IR CHONG KET PEN Executive Chairman

DEAR SHAREHOLDERS,

On behalf of the Board of Directors, it is my great pleasure to present to you the ANNUAL REPORT of Protasco Berhad (PB or Group) for the financial year ended 31 December 2024.

Reflecting on the past year, the Malaysian economy grew 5.1% in 2024, exceeding the government's 4%–5% target and accelerating from a downwardly revised 3.6% in 2023. According to the Central Bank, growth was driven by stronger household spending, supported by favourable labour market conditions, policy measures, and healthy household balance sheets. Investment growth also picked up, fueled by strong investment approvals and progress on multi-year projects in both the private and public sectors. Externally, economic expansion was supported by recovering exports amid steady global growth, the ongoing tech upcycle, and increased tourist arrivals and spending.
(Source: Department of Statistics, Malaysia)

GROUP FINANCIAL RESULTS

For the financial year ended 31 December 2024 (FY2024) the Group achieved a compelling consolidated revenue of RM1,307.6 million, being the best ever since listing, as compared to RM1,131.6 million in the previous financial year ended 31 December 2023 (FY2023). Profit after taxation (PAT) was RM55.5 million in FY2024 as compared to RM21.1 million in FY2023, a remarkable improvement of approximately 163%.

The excellent improvement in revenue was contributed mainly by the Maintenance business segment while the surge in PAT was contributed mainly by the Maintenance and Engineering & Consultancy business segments.

Profit after taxation and non-controlling interest (PATANCI) increased from RM6.7 million in FY2023 to RM25.4 million in FY2024. The upswing of 279% in PATANCI was attributed primarily to the spectacular financial performances of the Maintenance and Engineering & Consultancy business segments, coupled with the reduction in net losses of the Construction and Property business segments.

As at 31 December 2024, the Equity Attributable to the Owners of the Company stood at RM320.01 million.

CAPITAL MANAGEMENT

The Group's cash and cash equivalents increased by RM77.9 million, or approximately 62%, from RM125.2 million in FY2023 to RM203.1 million in FY2024. The increase was due mainly to the impressive improvement in the net cash generated from operating activities of RM131.1 million but mitigated by the increase in net cash used in financing activities of RM46.9 million. The strong cash position indicates our effective collection efforts, prudent cash management, and financial stability.

PB invested RM9.0 million in capital expenditures, conserving cash for working capital and new ventures, while not neglecting the need for upgrading and expansion.

BUSINESS DIRECTION AND STRATEGIES

Moving forward, the Group's focus remains on prudent financial management, adopting business strategies to maximise market share and profitability while evaluating the best options for monetisation of non-core assets, and further strengthen our costs optimisation efforts. PB is committed to sustain profitability by consistently monitoring business developments, profit margins, and optimise expenses for each and every business segments of the Group.

Where business and economic factors, such as the country's economic growth rates, interest rates, government policies, etc. are beyond our control, the Group will monitor closely such changes and evaluate the financial impact on our business segments and relevant countermeasures will be taken to address such events. On the other hand, the Group will take firm and effective cost rationalisation programmes to ensure costs are incurred for the sole purpose of generating income.

For a more in-depth review of the Group's financial performance, please refer to the Management Discussion and Analysis Report in this Annual Report.

CORPORATE GOVERNANCE

We are dedicated to the highest standards of corporate governance which underpins the operations of the Group. This dedication is intrinsic to fulfilling our roles and responsibilities in safeguarding shareholders' interests, thereby augmenting prospects of the Group and shareholders' value. Our compliance to the Malaysian Code on Corporate Governance 2021 is detailed in the Corporate Governance Overview Statement, found on pages 122 to 128 of this Annual Report.

SUSTAINABILITY

As a key player in the road maintenance business sector, we remain firm in our commitment to excellent sustainability practices in any business environment. Such commitment is also extended to all other business segments within the Group. Our focus on economic, environmental, and social practices demonstrates our passion to achieve positive sustainability results and contribute to the continued success of the overall management of our business operations.

The Board has continued to uphold and support the Group's commitment to good business practices, focusing on sustainability and corporate governance.

Our commitment to sustainability is an ongoing journey and it remains a top priority for the Group to continuously identify and address risks wherever gaps are identified.

Our strategy of amassing, analysing, and interpreting sustainability data is embedded into our day-to-day business operations. The Group is committed to contribute to the business and economic prosperity by striving to set the highest sustainability standards within the conditions of the day.

Our compliance to the Environmental, Social, and Governance (ESG) practices is detailed in the Sustainability Report, found on pages 28 to 101 of this Annual Report.

FUTURE OUTLOOK & PROSPECTS

For 2025, the Malaysian's economy is projected to grow between 4.5% and 5.5%. On the supply side, the services sector continues to uphold its position as the main driver of growth contributed by tourism activities, sustained exports and acceleration of ICT-related activities. On the demand side, growth will be buoyed by strong private sector expenditure and stable global trade.

(Source : MoF : Budget 2025 – Economic Outlook 2025 (page 57))

The recent announcements by the Trump Administration on the imposition of tariffs on exports to the United States of America (USA) has caused worries for countries enjoying trade surplus with the USA. Many countries, including Malaysia, have indicated their willingness to discuss with the USA to resolve this issue. Except for China, the Trump Administration has granted a 90-days suspension period, pending the outcome of negotiations. For now, the basic tariff of 10% is still applicable during the suspension period. We are uncertain of the global impact of the likely trade war between the USA and China which may affect many countries, including Malaysia. Nevertheless, we are confident that the Malaysian team will be able to resolve the tariff issue with the USA in a mutually beneficial manner.

The Group expects to complete the disposal of 90% equity shares in the loss-making Education business segment in April 2025 and the subsequent deconsolidation is expected to improve the Group's earnings in the FY2025. The Board and Management will continue to take various countermeasures to address any loss-making business segment, including but not restricted to, collaboration, cost optimisation, or divestment.

Concurrently, the Group will also revisit the business models and business strategies of the profit-making business segments to further improve its profitability in terms of bigger market share, better profit margins and costs optimisation.

The Maintenance business segment, being the largest revenue and profit contributor to the Group, is expected not only to benefit from the full year 2025 positive financial impact arising from the revision of the schedule of rates in Quarter 2 of FY2024, but also higher government budget allocation for road maintenance to prepare for Malaysia's ASEAN Chairmanship in 2025 and Visit Malaysia Year 2026. With the expected increase in business volume from the Maintenance business segment, the Trading business segment, being the supplier of construction materials to the sub-contractors of the Maintenance business segment, is expected to gain from this development.

Both the Maintenance and Trading business segments are expected to continue to contribute positively to the earnings, cash flows, and net assets of the Group.

The commencement of the export business of our Agriventure business segment had been delayed in FY2024 due to early stage start-up adjustments. After due readjustments, we expect to gain entry in the export markets by the early second quarter of 2025. We are confident that this business segment will open-up a new stream of income and contribute positively to the earnings, cash flows and net assets of the Group.

During the launching of IAP (I Am Protasco) 1.0 in the Year 2014, we established our Vision, Mission and Core Values. We refreshed our commitments and values by launching IAP 2.0 - A Journey of Discovery, Change & Growth in Quarter 4 of 2021 and IAP 3.0 - Empowering Progress, Driving Responsible Growth in July 2024. Our journey will continue into 2025 and thereafter to realise in full our activation of 5 Critical Success Factors (CSF) on a progressive basis:

5 Critical Success Factors

- 01/ Talent Management
- 02/ Culture Transformation
- 03/ Digitalisation
- 04/ Business Sustainability
- 05/ Business Process & Innovation

We are guided by these 5 CSFs, vision and strategy and performance development framework in our pursuit of business excellence, career development for our employees, and return on shareholders' funds.

DIVIDENDS

We do not have an explicit dividend policy. While we recognise the importance of rewarding our shareholders for their support, the decision to declare any cash dividend is subject to several factors, including and not limited to; financial performance, cash availability, capital expenditure requirements, working capital requirements, and future business expansion requirements.

Therefore, after careful deliberations, the Board has decided not to propose any payment of dividends for the FY2024.

The Board is committed to resume dividend payments at the earliest possible juncture, once it deems PB is in a good position to distribute dividends.

APPRECIATION

As we reflect on the achievements of FY2024, I would like to record my sincere appreciation to all stakeholders who have contributed to PB's success. The support of our stakeholders and the wise counsel of our Board members have been pivotal in steering and evolving the Group's resilient operations, strong financial position, and efficient financial management.

Equally important is the dedication of our people – our Management team and staff, customers, business associates, bankers, suppliers, and contractors. Their positive attitude, invaluable support, mutual trust, professionalism and utmost confidence in the Group have enable PB to deliver the right solutions and excellent services in this competitive environment.

My deepest appreciation to the Management and staff (our Protasco Champions) at all levels on the Group's achievements that resulted from their contributions, creativity, dedications, hard work, loyalty, passion, and integrity in working together for business sustainability as well as building their career path with the Group. I am very confident that with their continuing commitment, perseverance, right attitude and teamwork, the Group will be able to realise its Vision, Mission, and Core Values year after year.

The strong foundations that we have built provide an exceptional platform for our future growth. In our journey towards FY2025 and beyond, we will continue to pursue value creation, business sustainability, and viable growth strategies for all the business segments of the Group. While certain aspects of the business encountered challenging environment, the Board is confident of the adaptable business strategies to be deployed and remain resilient of the Group's prospects.

Last but not least, I wish to place on record my deepest appreciation to my fellow members of the Board, both at Group and subsidiaries level for their incredible contributions, active participation, and confidence in the direction of the Group.

Thank you.

MALAYSIA MADANI

Dato' Sri Ir Chong Ket Pen
EXECUTIVE CHAIRMAN

MANAGEMENT DISCUSSION AND ANALYSIS

DATO' IR KENNY CHONG THER NEN Group Managing Director

This Management Discussion and Analysis (MDNA) of Protasco Berhad (PB or Company) and its subsidiaries (the Group) aimed at providing shareholders an overview and better understanding of the Group's financial and operational performance for the financial year ended 31 December 2024 (FY2024). The information presented in this MDNA should be read in conjunction with the Audited Financial Statements for the FY2024 and the related notes thereto. Please take note that the discussion of results, causes and trends is not intended to suggest that such results, causes or trends will necessarily continue in the foreseeable future.

INTRODUCTION

PB was incorporated on 18 May 2001 as an investment holding company and listed on the Main Market of Bursa Malaysia Securities Berhad (then Main Board of KLSE) on 8 August 2003.

During the early stage of the initial public offering period, the PB Group was principally involved in construction (including road maintenance), engineering services & consultancy, education & training, and trading of construction related materials.

Since then, the Group has continued its position as the leading road specialist in Malaysia, and diversified into property development and investment property. Subsequently, the Group entered the renewable energy business in FY2017 when it secured a Letter of Acceptance of Offer for the development of a large scale solar PV plant of 9MWdc at Masjid Tanah, Melaka, from the Energy Commission. During FY2020 and in the midst of the COVID-19 pandemic, the Group commenced its new hotel and hospitality business within its 100-acres DeCentrum City.

The Group's main business segments are as follow:

01	**Maintenance**	05	**Trading & Manufacturing**
02	**Construction**	06	**Education**
03	**Property Development**	07	**Clean Energy**
04	**Engineering & Consultancy Services**	08	**Hotel & Hospitality**

Please refer to the SEGMENTAL PERFORMANCES for the business nature, financial performance, future prospects, and other information of the respective business segments.

CORPORATE OBJECTIVES

As a good and responsible corporate citizen, PB will continue to thrive and strive the following corporate objectives:

(i) To enhance shareholders' value in terms of return on investment and market capitalisation through excellent financial performance, progressive business growth, and long-term sustainability;

(ii) To provide comfortable ambience at work place and fascinating career path for all employees; and

(iii) To support nation building by focusing on fostering social cohesion, economic development, and civic engagement, while also upholding democratic values and promoting inclusivity.

GROUP FINANCIAL REVIEW

Financial Performance

	FY2024	FY2023	CHANGES	
	RM'000	RM'000	RM'000	%
Revenue	**1,307,638**	1,131,559	176,079	16%
Gross Profit	**191,995**	135,383	56,612	42%
Gross Profit Margin	**15%**	12%		3%
Profit before Taxation	**79,159**	34,927	44,232	127%
Profit after Taxation	**55,456**	21,073	34,383	163%
Profit after Taxation Attributable to:				
Owners of the Company	**25,373**	6,682	18,691	280%
Non-controlling Interests	**30,083**	14,391	15,692	109%
	55,456	21,073	34,383	163%
Earnings per share (sen)	**5.26**	1.39	3.87	278%

For the current FY2024 under review, the Group revenue and PBT increased by RM176.1 million and RM44.2 million respectively as compared to the previous FY2023. The increase in PBT was supported by the Maintenance and Engineering & Consultancy business segments while the Construction and Property business segments incurred lower loss before taxation (LBT) in the current financial year as compared to the previous financial year, which further improves the PBT at the Group level.

The Group achieved a gross profit of RM192.0 million and gross profit margin (GPM) of 15% as compared to RM135.4 million and 12% respectively in the previous financial year. The accretion of RM56.6 million in gross profit and additional 3% GPM were contributed by the Maintenance and Engineering & Consultancy business segments, resulting from the increased in the schedule of rates and improved margins respectively.

The Maintenance business segment continued to be the main contributor of the Group revenue and net profit in the current financial year while the Trading and Engineering & Consultancy business segments further strengthen the net profit of the Group respectively.

Several key factors that enhanced the current financial year bottom line:

(i) Increase in both schedule of rates and volume of maintenance works undertaken;

(ii) Accelerated physical progress on construction projects resulting in the increase in progress billings;

(iii) Increase in engineering consultancy works which yielded higher gross profit margins; and

(iv) Improved financial performance from the associates of the Maintenance business segment.

The robust current financial performance was also made possible as a result of conducive business and economic climate, and continued prudent financial and operating measures taken. Consequently, the Group net profit attributable to owners of the Company surged from RM6.7 million in FY2023 to RM25.4 million in FY2024.

A summary of the Group's 5-years financial performance is presented in the Group Financial Highlights.

Financial Position

	FY2024*	FY2023	CHANGES	
	RM'000	RM'000	RM'000	%
Non-current Assets	**367,076**	376,479	(9,403)	-2%
Current Assets	**580,193**	500,052	80,141	16%
Total Assets	**947,269**	876,531	70,738	8%
Total Equity	**382,612**	336,259	46,353	14%
Non-current Liabilities	**55,748**	69,969	(14,221)	20%
Current Liabilities	**508,909**	470,303	38,606	-8%
Total Liabilities	**564,657**	540,272	24,385	-5%
Total Equity & Liabilities	**947,269**	876,531	70,738	-8%
Net assets per share (RM)	**0.66**	0.61	0.05	8%

* *Presented in the manner before reclassification of assets and liabilities of disposal group classified as held for sale.*

The non-current assets of the Group had a marginal reduction of RM9.4 million due mainly to the depreciation charge in the current financial year while the current assets increased by RM80.1 million from RM500.0 million in FY2023 to RM580.2 million in FY2024 due mainly to the increase in cash and bank balances and short-term investments.

Non-current liabilities as at FY2024 was RM55.7 million as compared to RM70.0 million in FY2023. The decrease of RM14.2 million was due to the repayment of term loans. However, current liabilities increased by RM38.6 million, from RM470.3 million in FY2023 to RM508.9 million in FY2024 due mainly to the expected payments to suppliers and subcontractors in early next financial year. The higher utilisation of bank overdraft further widened the gap between FY2023 and FY2024.

The Group's net assets per share increased from 61 sen in FY2023 to 66 sen in FY2024 driven by a PAT attributable to the owners of the Company amounting to RM25.4 million in the current financial year. Earnings per share increased from 1.39 sen in FY2023 to 5.26 sen in FY2024.

Our cash and cash equivalents stood at RM203.1 million as at FY2024, recording an increase of RM77.9 million as compared to RM125.2 million in FY2023 mainly due to the increase in net operating cash flows of RM131.1 million which derived from improved operating profit before working capital changes, decrease in receivables and increase in payables.

The Group's net gearing ratio for FY2024 is a negative figure due to the cash and bank balances were higher than borrowings, as compared to 0.11 times for FY2023 while the gross gearing ratio decreased from 0.64 times in FY2023 to 0.52 times in FY2024. The decrease in the gross gearing ratio was due to repayment of term loans and increase in total equity resulting from the net profit achieved in the current financial year.

The Group achieved a return on equity of 7.93% in FY2024 as compared to 2.28% in FY2023. This remarkable performance of approximately 3.5 times increase in return on equity demonstrates the Group's agility and resilience in managing its business operations and financial resources.

Liquidity and Capital Resources

	FY2024	FY2023
	RM'000	RM'000
Net cash flows from/(for) operating activities	**131,065**	(5,090)
Net cash flows for investing activities	**(2,012)**	(8,523)
Net cash flows for financing activities	**(46,862)**	(16,995)
Net changes in cash and cash equivalents	**82,191**	(30,608)
Cash and cash equivalents at the beginning of the financial year	**125,166**	155,774
Transfer to assets of disposal group held for sale	**(4,305)**	-
Cash and cash equivalents at the end of the financial year	**203,052**	125,166

The Group has net increase in cash and cash equivalents of RM82.2 million for FY2024 as compared to a decrease of RM30.6 million in FY2023. The net change in cash and cash equivalents in FY2024 are as follows:

(i) Net cash generated from operating activities for FY2024 was RM131.1 million as compared to net cash used in operating activities of RM5.1 million in FY2023. This was mainly due to the net inflows from working capital changes of RM30.2 million (FY2023: net outflows of RM54.6 million) and positive operating profit before working capital changes of RM100.9 million (FY2023: RM49.5 million).

(ii) Net cash used in investing activities for FY2024 was RM2.0 million as compared to RM8.5 million in FY2023 due to lower capital expenditure, and share of surplus assets from the winding up of an associate of the Group.

(iii) Net cash used in financing activities for FY2024 was RM46.9 million as compared to RM17.0 million in FY2023 mainly due to higher dividends paid to non-controlling interests, repayment of term loans and interest paid in the current financial year.

The Group will continue its strict cash management measures to preserve working capital while ensuring minimal disruption to the operations of all business segments. Countermeasures are in place to maintain financial stability and operational continuity.

SEGMENTAL PERFORMANCES

01 MAINTENANCE

The Group's Maintenance segment is currently being undertaken by the following companies through concessions and long term contracts awarded by the Federal and State Government:

CONCESSION – FEDERAL ROAD MAINTENANCE (FRM)

A 10-year FRM concession of 7,263km commencing from February 2016 by Roadcare (M) Sdn Bhd.

- Group's equity interest is 51%
- Routine maintenance – recurring approximately RM140 million per annum
- Periodic maintenance and emergency works – based on actual work carried out (estimated to be RM130 million – RM150 million per annum)
- Covering the states of Selangor, Pahang, Kelantan and Terengganu
- Concession expires in February 2026

A 10-year FRM concession of 751km commencing from September 2018 by DAL HCM Sdn Bhd

- Group's interest is 30%
- Routine maintenance – recurring RM24 million per annum
- Periodic maintenance and emergency works – based on actual work carried out (estimated to be RM10 million – RM20 million per annum)
- Covering federal roads from Kuching to Lawas in Sarawak.
- Concession expires in August 2028

LONG TERM CONTRACTS (LTC)

01

A 7-year contract followed by a 5-year contract with an extension of another 2 years for 1,959km, State Road Maintenance in the State of Perak.

Contract sum: RM126.1 million for 2 years

Date of commencement: 1 January 2013

Undertaken by Empayar Indera Sdn Bhd in which the Group's equity interest is 51%

LTC expires in December 2026

02

A 2-year contract followed by a 5-year contract with an extension of another 2 years for 3,191km, Agriculture Road Maintenance in the State of Perak.

Contract sum: RM90.1 million for 2 years

Date of commencement: 20 February 2017

Undertaken by Empayar Indera Sdn Bhd in which the Group's equity interest is 51%

LTC expires in February 2026

03

A 10-year contract of Rural Road Maintenance for the State of Terengganu of approximately 2,500km

Contract sum: RM171.8 million for 10 years

Undertaken by Permint Granite-HCM Sdn Bhd where the Group's equity interest is 70%

LTC expires in April 2027

04

A 10-year Performance Based Contract for the Long Term Management and Maintenance of State Roads [Jalanraya Negeri (JRN)] in Sarawak, Package 3 (Mukah Division) awarded by Jabatan Kerja Raya (Public Works Department) of approximately 820km.

Contract sum: RM24.6 million per year (subject to review every 3 years with a maximum increase of 7.2% per revision)

Undertaken by PJP Barisan HCM JV Sdn Bhd in which the Group's equity interest is 30%

LTC expires in December 2029

REVIEW OF OPERATIONS

The Maintenance segment recorded an increase in revenue of RM206.9 million or 29% from RM704.5 million in FY2023 to RM911.5 million in FY2024. The Maintenance segment revenue represented approximately 70% of the Group revenue in FY2024.

The increase in revenue for the FY2024 was due to upward revision of schedule of rates in Quarter 2 FY2024 for federal roads and higher volume of routine and periodic maintenance works performed. Consequently, PBT increased from RM48.0 million in FY2023 to RM88.9 million in FY2024.

Our 30% associate companies, DAL HCM Sdn Bhd and PJP Barisan HCM JV Sdn Bhd, contributed a total of RM4.3 million to the PAT of RM66.8 million of the Maintenance segment.

SEGMENTAL RISKS

Our road maintenance activities are dependent on numerous factors including the Government's budget for periodic maintenance, the occurrence of events that require additional emergency maintenance and the success of our bids for new and renewal of contracts and concessions.

MOVING FORWARD

We expect the government to enhance the budgetary allocation in the coming years, particularly for road maintenance, supply of construction materials, and engineering works that tied to, among others, Malaysia's ASEAN Chairmanship and Visit Malaysia Year 2026. This budget allocation is expected to abundantly benefit our Maintenance Business segment which will boost our revenue and profit margins for the road maintenance works to be performed in FY2025 and thereafter.

Being the leading road specialist in Malaysia and having excellent track record in road maintenance, we are confident that our concessions will be renewed upon expiry. We have, and will continue, to play our role as a good corporate citizen in supporting the government's efforts in nation building, which is in line with one (1) of our corporate objectives.

Our Maintenance segment is expected to continue as the primary revenue and profit contributor to the Group in FY2025. The Group is also actively pursuing other opportunities to further improve the Maintenance segment financial results.

02 CONSTRUCTION

The Construction segment refers to activities of project management and sub-contracting of residential or commercial properties, infrastructure works, etc based on contracts entered into with clients.

REVIEW OF OPERATIONS

Revenue for the Construction segment increased from RM23.8 million in FY2023 to RM45.2 million in FY2024 due to the increase in progress billings for the upgrading roadwork project in Kulim, Kedah; construction works @ Jade Hill, Tampin; and commencement of telco infrastructure works.

The increase in gross profit due to increase in revenue, coupled with higher other income and lower operating and administrative expenses, has resulted in lower LBT of RM10.4 million in FY2024 as compared to LBT of RM11.5 million in FY2023.

SEGMENTAL RISKS

Our construction activities depend on the ability to replenish the order book and the general economic climate of the country. Other factors that may affect the profit contribution of our Construction segment include the cost of raw materials, labour and other related expenses.

MOVING FORWARD

The construction market covers a broad range of constructing activities, such as, commercial, industrial, infrastructure, and residential. It benefits from a mixture of domestic and international investments, with government policies promoting growth through large-scale projects.

The construction sector is a critical driver of the nation's economy, contributing significantly to the infrastructure development, employment, and urbanisation. This segment is poised for substantial growth, largely driven by the private sector, particularly data centres, industrial properties, and mixed residential property developments, as public mega infrastructure projects take a back seat.

With the construction sector growth momentum expected to remain robust in FY2025, we are taking all the necessary measures and strategies to continue to bid for lucrative projects not only to replenish but also to increase our order book.

We will emphasise on managing project costs, increase efficiency and timely delivery to achieve better profit margins in each and every project that we secured.

03 PROPERTY DEVELOPMENT

The Property Development segment integrates both development and investment activities, beginning with land acquisition and culminating in the handover of completed units to purchasers. Property investment includes asset management activities which generate income primarily through the rental and utilisation of investment properties.

1.0 OVERVIEW OF THE PROPERTY MARKET

The Property Market Report 2024 highlights exceptional performance, recorded the highest volume and value of property transactions in Malaysia over the past decade. This impressive growth was fueled by a robust expansion in market activities across all sub-sectors. The volume and value of transactions expanded by 5.4% and 18.0%, respectively, reaching 420,545 transactions worth RM232.30 billion, compared to 2023 (399,008 transactions worth RM196.83 billion).

The highest achievement of the property market was supported by the strong growth of Malaysia's economy and the continuous government support, including the full implementation of the New Industrial Master Plan 2030 (NIMP 2030), the National Energy Transition Roadmap, and the Twelve Malaysia Plan. Market activity was further supported by strong transaction volumes across nearly all states, particularly in Kelantan, which experienced a substantial growth exceeding 96%, following the fully implementation of stamping applications and stamp duty payments through Stamp Duty Assessment and Payment System (STAMPS).

The residential sub-sector sustained its expansion and solidified its position as the largest contributor to the national transaction activity, recording a marginal growth in both volume and value. By price range, the segment above RM1.0 million recorded the highest growth at 15.0%, while other price ranges showed more modest increases. This growth can be attributed to government initiatives outlined in Budget 2024, which increased confidence in the property market, including the easing of requirements for the Malaysia My Second Home (MM2H) programme. Additionally, strong performance in the commercial sub-sector acted as a catalyst for transaction activity with significant increases of 13.6% and 51.6% in value and volume, respectively, as compared to the previous year.

The growth in 2024 property market is highly supported by the implementation of various government efforts and initiatives to drive Malaysia's economy and simultaneously stimulating the expansion of the property market nationwide through the MADANI Economy Framework. Several initiatives which were outlined under Budget 2023 and 2024 by the government become a catalyst to the sustainable property market activities, among others:

i. The full stamp duty exemption on the instrument of transfer and loan agreement for the purchase of the first residential home priced up to RM500,000 by Malaysian citizens remained until December 31, 2025.
ii. Establishment of a high-tech industrial area in Kerian, Northen Perak, to widen the E&E cluster ecosystem in the Northen Region.
iii. The allocation of RM546 million to continue the implementation of 36 Program Perumahan Rakyat (PPR), including new project in Kluang, Johor, and another 15 PPR projects, is expected to be completed, and this are expected to benefit 5,100 potential new residents.
iv. The allocation of RM358 million will be channeled to continue the construction of 3,500 housing units under the 14 Program Rumah Mesra Rakyat.
v. Provide guarantees of up to RM10 billion under Skim Jaminan Kredit Perumahan (SJKP), which will benefit 40,000 borrowers.
vi. Impose of a flat rate stamp duty of 4% on the transfer of land ownership documents by non-citizens and foreign-owned companies, except for individuals with permanent residency status in Malaysia.
vii. Ease the requirements of Malaysia My Second Home (MM2H) programme to attract more tourists and foreign investors to Malaysia.

2.0 PROPERTY MARKET ACTIVITY

The property market performance continues to strengthen, supported by stable economic conditions and targeted government initiatives. A total of 420,545 transactions worth RM232.30 billion were recorded, expanded by 5.4% and 18.0% in volume and value of transactions, showing the highest market activities in Malaysia over the past decade. Of the total transactions, 77.7% (326,784 transactions) were transfers dated in 2024, 19.1% (80,487 transactions) were from 2023, and the remaining share consisted of transfers from previous years.

Sectoral market activity performance continued its upward momentum. All subsectors recorded year-on-year growth in the volume of transactions. Higher increases were observed for the commercial subsector (13.6%) and development land and others (9.7%). Meanwhile, the industrial subsector also grew at a faster pace by 7.7%, driven by sustained demand for vacant industrial land nationwide. The residential and agricultural subsectors show modest growth of 4.0% and 4.1%, respectively. On the value front, all subsectors recorded higher growth, led by the commercial sub-sector (51.6%), followed by development land and others (32.7%), industrial (16.4%), residential (5.9%), and agricultural (4.8%).

The residential sub-sector retained the largest share of the overall property transactions, with a 62.0% contribution in volume. This was followed by agriculture (18.7%), commercial (10.9%), development land and others (6.3%), and industrial (2.1%). Similarly, in value, residential took the lead with a 46.0% share, followed by commercial (25.0%), industrial (12.0%), development land and others (8.6%), and agriculture (8.4%).

(Source : MoF, Property Market Report 2024)

We launched the JADE Hill project in Tampin, Negeri Sembilan in FY2022. The development project under Phase 1A is comprised of 74 units single storey terrace Type B and 21 units single story terrace Type A Rumah Mampu Milik. We handed over all the units to the homeowners in August 2024 and achieved a take up rate of 94% as of to date.

We commenced the development project for Phase 2A-1 which comprised of 36 units of double-storey terraced house and 18 units of low cost Rumah Mampu Milik. As of to date, the take up rate for the 36 units of double-storey terraced house is 81%. We expect to handover the units to the homeowners in July 2025.

The commence the development project of Phase 2A-2 which comprised of 62 units of double-storey terrace house is now deferred to the end of FY2025.

Our Sentrio 2 – 3 storey-shop office units were completed in January 2024. Our share is 17 units of which 13 units already sold, with a take up rate of 76%. To remain competitive, new property projects are now aligned to affordable homes where demand is still strong. We will adopt a cautious and resilient approach towards the changes in the property market.

The Property development segment will concentrate its efforts in prudent management of construction and operating costs, positive operating net cash flows, innovative marketing campaign and digital platform to maximise profits. At the same time, we provide high quality product at affordable prices and excellent customer service to attract house buyers.

For Property investment, the momentum of recovery had improved in FY2024 but was still below expectation due to lower than expected student recruitment in IUKL. This had continued to affect the financial performance of our DC Mall and Student Accommodation.

REVIEW OF OPERATIONS

Revenue was RM25.2 million in FY2024 as compared to RM20.2 million in FY2023 due to the development progress of the ongoing JADE Hill project, sale of ten (10) unit of shoplot in Sentrio Pasir Gudang, and improved occupancy rates in the student accommodation.

The increase in revenue has resulted in the reduction of LBT from RM8.7 million in FY2023 to RM6.7 million in FY2024 mainly due to lower operating and administrative costs, and finance cost.

SEGMENTAL RISKS

The performance of our Property development segment is dependent on consumer demand for new units. Factors such as economic conditions and lending policies will have a direct impact on consumer appetite for property investment. Our property activities are also affected by general risk factors.

MOVING FORWARD

Malaysia's property market is poised for a significant shift in 2025, supported by ongoing economic recovery, urbanisation and strategic investments in key sectors. Recent analyses suggest that property prices are set to rise, underpinned by robust demand in urban centres and the growing influence of industrial property developments. With these dynamics in play, Malaysia's real estate landscape offers both opportunities and challenges for stakeholders.

Additionally, Malaysia's improving economic indicators, such as rising GDP and growing consumer confidence, are expected to stimulate property transactions. With a burgeoning middle class seeking housing options, demand for residential properties is projected to sustain its upward trajectory. This is especially true in areas that benefit from enhanced infrastructure and connectivity, such as those near ongoing Mass Rapid Transit (MRT) and Light Rail Transit (LRT) expansions.

As Malaysia's property market transitions into 2025, it is characterised by a delicate balance of growth drivers and potential risks. The sector's evolution reflects broader economic trends, including the rising importance of digital infrastructure, urbanisation and strategic industrial developments. Developers with diversified portfolios and strategic landholdings are well-positioned to capitalise on these opportunities.

Barring any unforeseen circumstances, 2025 is set to be a transformative year for Malaysia's real estate sector. With strong demand, innovative developments and supportive economic trends, the market offers significant potential for both local and international investors. Stakeholders who navigate the challenges while leveraging growth opportunities are likely to thrive in this dynamic landscape.

(The Star – 16 December 2024)

We have received the necessary approvals for the launching of the Rimbawan Residency project and will do so only at the appropriate time.

The project development of Residensi Perihatin Keluarga Malaysia is now renamed and repackaged as Rumah Madani and Rumah Bebas. It consists of developing more than 1,600 units of residential apartments with an estimated gross development value of RM477 million.

For Property investment, we are in the midst of refreshing the right sizing, tenants mix, and repositioning of the DC Mall to cater for better retail offering and increasing footfall, taking into consideration the location and demographic profile of the catchment area. We are also exploring the possibility of collaborations with different parties to promote artificial intelligence and related activities in the Mall.

The divestment of our Education business segment was completed in April 2025. The Purchaser is an education group from China and we expect the registration of international students, especially Chinese students, at IUKL to increase at a much faster pace in FY2025. This growth will benefit our Student Accommodation and DC Mall as they often require local rentals and shopping for basic needs and leisure activities.

04 ENGINEERING & CONSULTANCY SERVICES

Our Engineering & Consultancy Services segment provides engineering solutions in the areas of geotechnical, pavement, structural, and forensic engineering, while consultancy services are in the area of material certification and technical training.

Our focus is to secure more engineering consultancy contracts where margins are much higher than construction activities which may be risky and low margins.

REVIEW OF OPERATIONS

Revenue decreased by 41% from RM57.2 million in FY2023 to RM33.5 million in FY2024 due to lower construction, structural, pavement, geotechnical and civil works, as well as certification services.

Despite the decrease in revenue, the PBT increased from RM3.2 million to RM10.9 million, attributable to an uptick in consultancy assignments which yielded much higher margins, better recovery of impaired receivables, and reduced low margin construction activities.

SEGMENTAL RISKS

Demand for our engineering & consultancy services are dependent on the overall economic environment as a slowing economy would affect any capital expansion and thus for our services. We may be exposed to potential liability claims on our negligence to properly manage and safeguard our clients' assets and interests.

MOVING FORWARD

Our Engineering & Consultancy Services segment operates mainly within the engineering and project management services in the country. Growth within the engineering and project management services market is likely to derived from:

- government-led initiatives and spending;
- sustained economic growth to support spending and investment in properties;
- increasing participation by professionals into the provision of engineering and project management services; and
- strategic need for engineering and project management services.

Thus, we are enhancing & re-branding our "IKRAM Brand" as "Total Integrated Engineering Solutions Provider" specialised in Geotechnical & Geo Environmental Engineering, Pavement, Highway & Transportation Engineering, Structural & Material Engineering, Product & Personal Certification, and Technical Training.

We will continue to work with other highway concessioners to expand our pavement condition assessment and evaluation works.

The Engineering & Consultancy Services segment achieved a significant improvement in the net profit in FY2024, contributed by better margins and higher reversal of debts impairment due to improved collection efforts. We expect this segment to continue its good financial performance in FY2025 as more engineering consultancy contracts are expected to be secured. This business segment will increase its efforts not only to sustain the existing business but also to secure new Long Term Service Agreement and consider various business options in line with the economic conditions of the country.

05 TRADING & MANUFACTURING

The Trading & Manufacturing segment mainly refers to activities of buying and selling of construction materials, equipment and other resources for project use.

Our Trading & Manufacturing segment complements and supports our Maintenance, Construction and Property Development segments by sourcing and supplying raw materials, equipment and other required resources to the sub-contractors of these segments.

REVIEW OF OPERATIONS

Revenue decreased by 13% (RM37.3 million) from RM290.4 million in FY2023 to RM253.1 million in FY2024 due to fierce competition in the supply of construction materials for the road maintenance works undertaken by the Maintenance segment, whereby this segment is the main supplier to the sub-contractors.

Following the decrease in revenue, the PBT decreased by RM0.9 million or 29% from RM3.3 million to RM2.3 million.

SEGMENTAL RISKS

Demand for our products is linked to the amount of construction activity by our business partners.

MOVING FORWARD

Our Trading & Manufacturing segment is to support our other business segments. Thus, the prospects of this segment will depend on the Maintenance segment's ability to secure more road maintenance works and the Construction segment to secure and perform more construction projects.

However, this segment will continue to increase the supply of its high profit margin products to balance the reliance on high volume but low margin bitumen and quarry products.

06 EDUCATION

The Education segment refers to the business activity of provision of tertiary education and related services.

Our education segment is undertaken under the brand Infrastructure University Kuala Lumpur (IUKL).

Being in the education industry for more than 20 years, IUKL has been providing quality education and excellent professional services in various fields. IUKL is among one (1) of the top ranking universities and the only Infrastructure University in Malaysia and we would like to champion ourselves in the area of Infrastructure.

REVIEW OF OPERATIONS

The enrolment of international students improved in the current financial year but was offset by the reduction in the recruitment of local students mainly due to some of the secondary school leavers opted to join the employment market instead of pursuing further studies.

Revenue increased by 20% (RM4.9 million) from RM25.0 million in FY2023 to RM30.0 million in FY2024 was mainly due to higher student population and international student fees.

However, the segment's LBT increased from RM6.42 million in the previous year to RM8.8 million in the current year. This was due to lower other income, mainly from the reversal of impairment on receivables and non-financial asset, as well as higher operating and administrative expenses.

SEGMENTAL RISKS

The Education segment is exposed to competitive risk from other private tertiary institutes and other risks in the form of governmental policies which may be introduced and imposed on tertiary education.

The success of an education institution is dependent on its reputation as well as the ability to attract students, both local and international.

MOVING FORWARD

On 19 July 2024, the Group entered into a Share Sale Agreement to dispose of its entire equity interest in Ikram Education Sdn Bhd. Subsequently, a Supplemental Agreement was signed on 9 January 2025 to revise the disposal equity shareholding to 90% and the date of completion was further extended to 31 March 2025.

Upon completion of the proposed disposal of this education segment, it is expected to generate a gain on disposal and the de-consolidation of this loss-making segment will boost the Group's earnings for FY2025.

07 CLEAN ENERGY

This business segment signed a 21-year Power Purchase Agreement with Suruhanjaya Tenaga in April 2018 for the construction of a large scale solar (LSS) PV plant of 9.0 MWdc under the LSS2 scheme at Masjid Tanah, Melaka. The said PV plant was completed in early FY2021 and commenced billings for the power generation and supply of energy to TNB.

Our solar farm has been operating at full capacity in power generation since commencement of operations. The Operations team is fully dedicated to ensure regular maintenance and high operating efficiency to achieve full capacity. Concurrently, the team will also optimise the direct costs to improve gross profit which will contribute to the overall net profits of this business segment.

The Clean Energy segment will continue to participate in the subsequent roll out of the LSS as announced by the Government. We will continue to explore opportunities to participate in more government and private projects, either through direct participation or as Engineering, Procurement, Construction, and Commissioning (EPCC) contractor.

On the other hand, we have continued to secure more EPCC contracts and thereby increasing our orderbook which will strengthen the continuity of this business segment. Needless to say, the Clean Energy segment will continue to bid for more EPCC contracts to have a large pool of tenderbook which covers various scope of works and profit margins.

REVIEW OF OPERATIONS

Revenue increased by 83% (RM9.1 million) rising from RM11.0 million in FY2023 to RM20.1 million in FY2024, primarily due to the increase in solar panel installation works performed.

In line with the increase in revenue, this segment posted an increase in before tax of RM0.4 million from RM0.09 million to RM0.5 million. The increase of 5.2 times in PBT was attributed to higher gross profit resulted from substantial increase in revenue, and lower interest costs.

SEGMENTAL RISKS

Changing of government policies and incentives affects directly the business of Clean Energy. On the other hand, pandemic or local infectious disease will disrupt the business operations.

The success of our business segment rely on controls and mitigation strategies to overcome numerous risks such as liquidity, operational, environmental, compliances and internal management.

MOVING FORWARD

We expect a steady revenue and cash flow streams from the solar farm billings for the power generation and supply of energy to TNB on a monthly basis.

With the expected increase in the orderbook of the EPCC contracts and the possibility of securing one (1) or more LSS contracts, we expect the Clean Energy segment to achieve better financial results and contribute positively to the Group financial results in FY2025.

The renewable energy business sector is currently more competitive with declining offer price under the latest LSS scheme. However, this is compensated by the reducing price of solar panels which allows for sustainable profit margins.

We will continue to participate in the LSS tenders, secure more EPCC contracts for the installation of solar panels and other related services, and rooftop solar system.

An aerial view of the large scale solar PV plant at Masjid Tanah, Melaka.

08 HOTEL & HOSPITALITY

Post COVID-19 pandemic period, the tourism industry has gained momentum in recovery with the surge in cross-border travelling which was further supported by visa-free entry.

This has benefited the hotel industry and local tour and F&B operators but competition remained stiff due to escalating costs and pricing differentiation and sensitivity.

It's the norm for the hotel industry to experience low-peak and high-peak seasons for the year. Park-Inn by Radisson Putrajaya (PIRP) hotel regularly monitor and update its average room rates to optimise its occupancy rates in order to achieve maximum possible revenue and gross profit.

REVIEW OF OPERATIONS

Revenue decreased marginally to RM12.7 million in FY2024 as compared to RM13.4 million in FY2024, due to lower average room rates, despite a marginal increase in occupancy rate. Meanwhile, our average F&B income recorded a marginal increase of approximately 4% from RM0.357 million in FY2023 to RM0.370 million in FY2024.

This segment recorded a reversal from a PBT of RM0.29 million in FY2023 to a LBT of RM0.56 million in FY2024. The LBT was due to lower gross profit, higher operating expenses and increased finance costs.

SEGMENTAL RISKS

Pandemic, spread of local infectious diseases, competition from AirBNB, changing customers demand, technological change, and cybersecurity are some of the risks that are applicable to the hotel industry.

Control procedures are put in place to mitigate such risks and regular monitoring is performed to ensure the control procedures are still applicable, relevant, and effective.

MOVING FORWARD

PIRP will enhance its marketing and promotional activities through various platforms to attract varied guests and thereby increasing occupancy rates while providing value-for-money services to strengthen its average daily rental rates.

The hotel industry is very competitive and require updating and fulfilling to the latest demands of its guests and continuously providing courteous services and sumptuous food.

Tourist arrivals and spending are expected to continue improving with Tourism Malaysia setting a target of 31.4 million tourist arrivals in 2025. The anticipated growth will be driven by enhanced flight connectivity and government initiatives, including intensified tourism promotion activities in preparation for Visit Malaysia Year 2026, as well as the introduction of visa-free entry to Malaysia for selected nationals for a specified period.

The hotel industry will benefit from the expected increase in tourist arrivals and spending which will drive the nation's economic growth for the coming years.

Park Inn by Radisson Putrajaya was officially opened on 1 October 2020. It is the Park Inn by Radisson first hotel in Malaysia.

RISK MANAGEMENT

Introduction

As part of the corporate objectives of the Group, the Board is always seeking new ways to enhance shareholders' value and managing the inter-connection between value creation and risk management. Risks are no longer just hazards to be avoided but opportunity to create value that ultimately creates shareholders' wealth. The question is how best to manage risks to extract that value.

The Group has adopted the Enterprise Risk Management (ERM) as an important management tool and put into practice on how to manage business and operational uncertainties. It is a disciplined approach to evaluating and managing uncertainties the Group is likely to face when creating value. To maximise shareholders' value, a truly holistic, integrated, future-focused, and process oriented approach to risk is required.

Upgrading work is being undertaken by HCM Engineering Sdn Bhd at the Federal road FT004 in Gerik/Kupang/Lunas from Kulim, Kedah.

In managing the inter-connection between value creation and risk management, the Group has established an ERM framework that provide guidance on the broad scope of the fundamental concepts, classifications, identification, attitudes and effective management of risks. The components and continuous process of risk management are also covered by the framework.

Components of ERM

- **Internal Environment**
  The internal environment encompasses the tone of an organisation, and sets the basis for how risks is viewed and addressed by the Management and risk owners, including risk management philosophy and risk appetite, integrity and ethical values, and the environment in which they operate.
- **Risk Assessment**
  Risks are analysed, considering likelihood and impact, as a basis for determining how they should be managed. Proper control procedures are put in place to mitigate the likelihood and impact of these key risks.
- **Risk Response**
  Management selects risks responses – avoiding, accepting, reducing, or sharing risk – developing a set of actions to align risks with the Group's risk tolerances and risk appetite.
- **Control Activities**
  Policies and procedures are established and implemented to help ensure the risks responses are effectively carried out.
- **Information and Communication**
  Relevant information is identified, captured, and communicated in a form and timeframe that enable risk owners to carry out their responsibilities. Effective communication also occurs in a broader sense, flowing down, across, and up the organisation.
- **Monitoring**
  The entirety of ERM is monitored and modifications made as necessary. Monitoring is accomplished through ongoing management activities, separate evaluations, or both.

Process of ERM

The objective of the risk management process is to develop an individual risk profile where risk assessment is conducted from risk identification, analysis, and evaluation of existing controls.

- **Risk identification**
  identify all risks which may cause potential losses of business assets and income, and other form of losses.
- **Evaluate the potential losses**
  estimating the severity and frequency of the identified potential losses.
- **Risk analysis and treatment**
  apply risk management techniques for the treatment of risk. Such treatment can be grouped into risk control, risk financing, and internal risk reduction.
- **Apply risk management method**
  risk management matrix or risk rating matrix.
- **Risk evaluation**
  risk management objectives, potential risks and severity of losses, appropriate risk management methods, and detail out the costs involved.
- **Monitoring and communications**
  regular monitoring of risk assessments and controls. Communicate with all risk owners on the progress, actions required, and improvements of risk management for each business entities.

For the current financial year risk management progress, please refer to the Statement of Risk Management and Internal Control on pages 129 to 138 of this Annual Report.

ACKNOWLEDGEMENT & APPRECIATION

FY2024 was a mix of successes and challenges for the Group. Nevertheless, we will continue to enlarge the base of our profitable business segments through various financial and operating measures, aimed at improving efficiencies and contained costs to achieve better revenue and profit margins.

For the challenges ahead, the Board and Management have deliberated on a regular basis, the various options available to resolve the current situation. Such options include business turnaround strategies, collaborations, and assets monetisation.

With the support of our Board and Management, teamwork of our employees, and the confidence of our stakeholders, we will progress and achieve the Group's Vision, Mission, Core Values, and Corporate Objectives.

I would like to take this opportunity to extend my sincere gratitude to our Executive Chairman, Board members, Management, employees, business associates and stakeholders for their unwavering co-operation and support, which have contributed to the success of the Group.

Thank you.

Dato Ir Kenny Chong Ther Nen
Group Managing Director

EMBEDDING SUSTAINABILITY ACROSS OUR BUSINESSES

As Chairman of the Sustainability Steering Committee at Protasco Berhad, I am proud to present our sustainability strategy and the progress we have made in embedding sustainable practices across our operations. Sustainability is at the core of our business philosophy, and we recognise that our long-term success is closely tied to the well-being of the environment, the communities we serve, and the broader economy.

This year, we are honoured to have been awarded a 3-star rating in the FTSE4Good Index (December 2024) - a testament to our unwavering commitment to responsible business practices and environmental, social, and governance (ESG) excellence. This achievement reflects the progress we have made in integrating sustainability into our operations, as well as our ongoing efforts to enhance our ESG performance.

Guided by the I Am Protasco 3.0 (IAP 3.0) framework, we continue to push forward with transformative initiatives that strengthen our impact. We have set clear priorities, including continuous talent development, process and service innovation, and reinforcing our alignment with the Sustainable Development Goals (SDGs) and Climate Change. Our efforts extend to fostering eco-efficient communities and environmental conservation while upholding the highest standards of integrity and corporate governance.

Over the past year, we have taken significant strides in embedding sustainability across our businesses. Our road construction and maintenance projects incorporate environmentally responsible practices, while our clean energy initiatives contribute to the transition towards a low-carbon economy. Furthermore, our community engagement programmes remain a key pillar of our commitment to social well-being, particularly in education and empowerment.

While we celebrate our progress, we recognise that sustainability is an evolving journey. This recognition in the FTSE4Good Index further motivates us to raise the bar, drive continuous improvements, and strengthen our ESG leadership. We will continue to innovate, collaborate, and integrate sustainable solutions to ensure a positive, lasting impact for our stakeholders.

Thank you for your continued trust and support as we work together towards a more sustainable future.

Sincerely,

Dato' Ir Kenny Chong Ther Nen
Chairman of Sustainability Steering Committee (SSC)
Protasco Berhad

ABOUT THIS REPORT

Introduction

As part of our commitment to transparency and accountability, the Group provides a comprehensive overview of the entities included in our sustainability reporting. This disclosure ensures that stakeholders understand the scope of our reporting and the extent of our sustainability practices.

Scope of Reporting

Our sustainability report covers data obtained from all the following Business Units (BUs) that are part of the Group.

Business Unit	Entities
Corporate Office	Protasco Berhad
Agriventure	Tenggara Food Industries Sdn Bhd
Clean Energy	I2 Energy Sdn Bhd
	I2 Solarpark One Sdn Bhd
	Solarcap Sdn Bhd
	Ikram Greentech Sdn Bhd
Education	Infrastructure University Kuala Lumpur (IUKL) (Ikram Education Sdn Bhd)
Engineering & Consultancy Services	Ikram Works Sdn Bhd
	Ikram Engineering Services Sdn Bhd
	Ikram QA Services Sdn Bhd
	Ikram Paves Sdn Bhd
	Ikram Engineering Consulting Sdn Bhd
	Ikram Premier Consulting Sdn Bhd
Maintenance	Roadcare (M) Sdn Bhd
	Permint Granite-HCM Sdn Bhd
	DAL HCM Sdn Bhd
	Empayar Indera Sdn Bhd
Property Development & Construction	Protasco Development Sdn Bhd
	DC Resort Homes Sdn Bhd
	KISB Property Management (Kumpulan Ikram Sdn Bhd)
	HCM Engineering Sdn Bhd
	Ikram Skills Academy Sdn Bhd
Trading & Manufacturing	Protasco Trading Sdn Bhd
	QP Industries Sdn Bhd
	QP Trading Sdn Bhd
Hotel & Hospitality	Park Inn by Radisson Putrajaya (Kumpulan Ikram Sdn Bhd)

Data were collected from key operating facilities across Malaysia, including manufacturing plants, solar farms, substations, regional offices, and site offices where BU activities occur, to provide our stakeholders with accurate information through this report.

Entities Excluded

The current report focuses on specific operational and maintenance aspects relevant to our core business areas. The hotel and hospitality, clean energy (specifically, Solarcap Sdn Bhd, and Ikram Greentech Sdn Bhd) and agriventure divisions have been excluded from some of the materiality assessment, allowing for a more targeted analysis of areas directly aligned with our primary operational goals and objectives. The materiality section will outline the scope covered during the reporting year.

Reporting Boundaries

The boundaries of our sustainability reporting are defined based on operational control. This means that the report includes:

01 Entities where the Group has the authority to govern financial and operating policies.

02 Entities where the Group directly manages operations and is responsible for sustainability practices.

Reporting Period and Frequency

This sustainability report covers the period from 1 January 2024 to 31 December 2024. The data and information presented in this report reflect our sustainability performance and initiatives during this timeframe. The Group publishes its sustainability report on an annual basis. This annual reporting cycle aligns with our commitment to providing regular updates on our progress in sustainability, ensuring that stakeholders are kept informed of our ongoing efforts and achievements.

01 The previous sustainability report was published in April 2024, covering the period from 1 January 2023 to 31 December 2023.

02 Our sustainability report is scheduled for release in April 2025, covering the period from 1 January 2024 to 31 December 2024.

Reporting Frameworks and Standards

This report has been primarily developed with reference to Bursa Malaysia's Listing Requirements, Bursa Malaysia's Sustainability Reporting Guide (3rd Edition), Global Reporting Initiative (GRI) Standards, and the Malaysian Code on Corporate Governance (MCCG) 2021. To enhance the depth and comprehensiveness of our disclosures, we have also considered FTSE4Good Bursa Malaysia Index requirements, Task Force on Climate-related Financial Disclosures (TCFD) Recommendations, Sustainability Accounting Standards Board (SASB) Standards, International Sustainability Standards Board (ISSB) Standards, IFRS Sustainability Disclosure Standards (IFRS S1), and the United Nations Sustainable Development Goals (UN SDGs). This approach ensures our reporting remains transparent, structured, and aligned with global best practices.

Transparency and Accuracy

We strive to provide accurate and complete information in our sustainability reporting. The entities included in this report have been selected based on a thorough review of our control and influence. Any significant changes to the scope or boundaries of our reporting are disclosed in this section.

Review and Updates

Our reporting scope is reviewed annually to ensure it accurately reflects our operational structure and control. Any updates to the list of included entities or changes in reporting boundaries will be communicated in subsequent reports.

Limitations and Disclaimers

Protasco recognises the potential for enhancements in both the depth and quality of disclosures related to certain Environment, Social and Governance (ESG) indicators. As we work towards establishing baseline data across various ESG areas, there may be instances where historical comparisons are not feasible. Where data is incomplete or unavailable, explanations have been provided.

We are actively improving our data tracking and collection processes across all business divisions to comprehensively address material ESG issues. These efforts are aimed at strengthening the consistency and accuracy of our reporting while enhancing transparency for our stakeholders.

Additionally, the forward-looking statements in this report, including future plans and targets, are based on reasonable assumptions reflective of the current situation. However, actual outcomes may vary due to changes in the operating environment.

ESG Content and Data Assurance

The information in this statement has been carefully compiled and structured to meet local and international regulatory requirements, align with stakeholder expectations, and address Protasco's key ESG factors and risks within its operational framework. As a result, the report adheres to GRI principles, ensuring accuracy, balance, clarity, comparability, reliability, and timeliness.

For ease of reading, the data presented in tables under each materiality topic has been rounded to the nearest whole number.

Contact Information

For any inquiries, feedback, or further information regarding this sustainability report, stakeholders are encouraged to reach out to our Sustainability Reporting Team through the email provided below.

ccd@protasco.com.my

We welcome and value all forms of engagement as we strive to improve our sustainability practices and transparency.

SUSTAINABILITY AT A GLANCE

ENVIRONMENTAL RESPONSIBILITY

- Number of biodiversity projects
- CO_2 emission avoidance due to consumption of solar energy
- Non-renewable energy consumption
- Water consumption
- Recycled and reused waste
- Recycled material used in the projects
- Carbon footprint

SOCIAL RESPONSIBILITY

- Local suppliers
- Local suppliers with ESG practices
- Community development
- Female participation *(in Board)*
- Female participation *(in Management Position)*
- Fatalities
- Employees *(more than 5 years)*
- Complaints *(Human Rights Violation)*
- Customer satisfaction
- Data loss and cybersecurity

GOVERNANCE RESPONSIBILITY

- Anti-bribery cases
- Training for employees on anti-corruption
- Number of case due to non-compliance
- Amount of fines due to non-compliance

No changes from previous year | *Increase from previous year* | *Decrease from previous year* | *Newly monitored*

OUR APPROACH TO SUSTAINABILITY

At Protasco Berhad, our approach to sustainability is driven by key themes that reflect our commitment to creating value while addressing global challenges. These themes guide our strategic initiatives and operational practices, ensuring that we contribute positively to society and the environment.

01

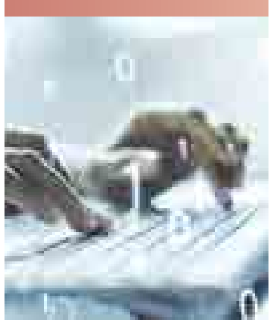
HUMAN CAPITAL

Our people are our greatest asset. Our focus on human capital involves continuous talent improvement and nurturing. We invest in professional development and training to equip our employees with the skills and knowledge needed to excel in a rapidly evolving industry. By fostering a culture of learning and growth, we aim to attract, retain, and develop top talent, ensuring that our workforce is well-prepared to meet current and future challenges.

02

DIGITALISATION FOR BETTER STAKEHOLDER EXPERIENCE

Digital transformation is key to enhancing our stakeholder experience. We leverage advanced technologies to improve our processes and services, delivering more efficient and effective solutions. Through digitalisation, we aim to provide a seamless experience for our stakeholders, streamline operations, and drive innovation that aligns with our sustainability goals.



03

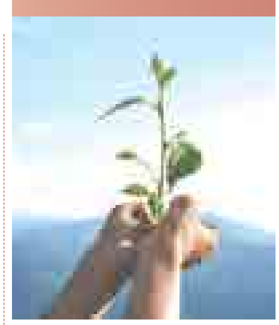
HUMANITY CARE AND SUPPORT

Our commitment to humanity is reflected in our support for community welfare and social responsibility. We engage in initiatives that address societal needs, including health, education, and well-being. By partnering local organisations and supporting charitable causes, we strive to make a positive impact on the lives of individuals and communities, contributing to a more equitable and compassionate society.

04

PRESERVATION AND CONSERVATION

Preservation and conservation are central to our environmental stewardship efforts. We are dedicated to developing eco-efficient practices and promoting sustainability in all our projects. Our initiatives include reducing resource consumption, minimising waste, and protecting natural habitats. By aligning our practices with the identified SDGs, we work towards preserving the environment for future generations.



05

COMPLIANCE AND INTEGRITY

Maintaining the highest standards of compliance and integrity is crucial to our operations. We adhere to all relevant laws and regulations, and our governance framework ensures transparency and accountability. Our commitment to ethical practices and institutional governance underpins our approach, reinforcing our reputation as a responsible and trustworthy organisation.

Our Strategic Focus Areas

Our sustainability strategy is anchored in a triple bottom line approach that emphasises Prosperity, People, and Planet. We believe that true success is not solely measured by financial performance but by the positive impact we create for society and the environment.

By prioritising the well-being of our people and the health of our planet, underpinned by robust governance and ethical values, we are confident in our ability to achieve sustainable prosperity. This holistic approach ensures that our business growth is aligned with our commitment to social responsibility and environmental stewardship, driving long-term value for all our stakeholders.

Below are the strategic focus areas centred on people and the planet that will be used to bring the Group forward through a sustainable approach.

CONTINUOUS TALENT IMPROVEMENT AND NURTURING

FOCUS
Investing in our employees' development to enhance skills, performance, and career progression.

UNSDG
4 QUALITY EDUCATION
8 DECENT WORK AND ECONOMIC GROWTH

PROCESS AND SERVICE IMPROVEMENT AND INNOVATION

FOCUS
Utilising digitalisation to enhance efficiency, effectiveness, and stakeholder satisfaction.

UNSDG
8 DECENT WORK AND ECONOMIC GROWTH
9 INDUSTRY, INNOVATION AND INFRASTRUCTURE

COMMITMENT TOWARDS IDENTIFIED SDGS

FOCUS
Aligning our projects and practices with global sustainability goals to contribute to a sustainable future.

UNSDG
1 NO POVERTY
3 GOOD HEALTH AND WELL-BEING
4 QUALITY EDUCATION
5 GENDER EQUALITY
8 DECENT WORK AND ECONOMIC GROWTH
9 INDUSTRY, INNOVATION AND INFRASTRUCTURE
11 SUSTAINABLE CITIES AND COMMUNITIES
12 RESPONSIBLE CONSUMPTION AND PRODUCTION
13 CLIMATE ACTION
17 PARTNERSHIPS FOR THE GOALS

PARTNERING AND DEVELOPING AN ECO-EFFICIENT COMMUNITY AND ENVIRONMENT

FOCUS
Collaborating with stakeholders to promote eco-friendly practices and support environmental conservation.

UNSDG
11 SUSTAINABLE CITIES AND COMMUNITIES
12 RESPONSIBLE CONSUMPTION AND PRODUCTION
13 CLIMATE ACTION
17 PARTNERSHIPS FOR THE GOALS

PRACTISING INSTITUTIONAL ETHICS AND GOVERNANCE

FOCUS
Upholding strong ethical standards and governance practices to ensure transparency and accountability.

UNSDG
16 PEACE, JUSTICE AND STRONG INSTITUTIONS
17 PARTNERSHIPS FOR THE GOALS

Our Sustainability Governance

At Protasco Berhad, the Board Risk Management Committee (BRMC) holds ultimate responsibility for overseeing sustainability-related matters. The BRMC consists of three (3) Directors from the Group's Board of Directors and meets at least twice a year to discuss and review the Group's sustainability progress.

The Sustainability Steering Committee (SSC), composed of Senior Management from all BUs, deliberates on key sustainability strategies, issues, and implementation, with the support of the Sustainability Working Committee (SWC).

The Strategy & Sustainability Office (SSO) plays a critical role in ensuring that the Group and the Board fulfil their obligations regarding regulatory requirements on ESG disclosures, maintaining compliance throughout the organisation.

SUSTAINABILITY GOVERNANCE STRUCTURE

Oversees and ensures all the sustainability agenda are committed to and compiled with according to the requirement of authorities through the appointment of BRMC.

Oversees the sustainability agenda as part of Protasco Berhad's risk management functions. The sustainability role of the BRMC is to also review, supervise and recommend to the Board concerning the approval of the Group's sustainability strategy, key concerns, ESG targets, performance, progress and scorecard.

Deliberates and develops the sustainability strategies and policies of Protasco Berhad and commits into sustainability decision-making efforts for the Group.

The SWC supports the SSC in developing time-bound implementation plans for strategies and policies across BUs and divisions. It also ensures that sustainability remains a core value and priority throughout the Group's operations.

SSO coordinates the collection, analysis and interpretation of ESG data across the Group for the purpose of disclosures. Furthermore, SSO recommends and proposes Group-wide action plans for consideration and implementation. SSO reports to the Group Managing Director of Protasco Berhad. SSO is supported by SWC, with the role of scrutinising the data and information compiled it is presenting to SSC for deliberation.

A committee made up of the Heads of BUs, the DWC is tasked with ensuring that the Group's sustainability strategy and directives from the BRMC are communicated to all employees and business divisions. Additionally, the DWC serves as a platform for gathering data and feedback while addressing sustainability-related concerns.

GOVERNANCE COMPOSITION

Sustainability Steering Committee (SSC)

- **Protasco Berhad:** Group Managing Director
- **Agriventure:** Executive Director
- **Clean Energy:** Executive Director
- **Corporate Office:** Head
- **Education:** Executive Director; Vice Chancellor
- **Engineering & Consultancy Services:** Chief Executive Officer (CEO)
- **Maintenance:** Chief Executive Officer
- **Property Development & Construction:** Executive Director
- **Trading & Manufacturing:** Executive Director

Sustainability Working Committee (SWC)

- **Head of SSO**
- **Head of Corporate Communications Department (CCD)**
- **Head of Corporate Advisory Department (CAD)**
- **Manager from Human Resource Department (HRD)**
- **Head of Group Finance & Treasury (GFT)**
- **Head of Kumpulan Ikram Sdn Bhd Property Management**
- **Representatives from 8 BUs**
- **Representative from Occupational Safety & Health (OSH)**

Division Working Committee (DWC)

- **Division Sustainability Officer (DSO)**
- **Division Sustainability Manager (DSM)**
- **Deputy**
- **Coordinator**
- **Data Collector**
- **Document Controller**
- **Division ESG Risk Assessor (DRA)**
- **Committee Members**

(The above are positions set for each committee; a total of 7 DWCs are currently functioning.)

Our Activities

Protasco Berhad being a diversified construction-based company with core operations in road maintenance, road construction, property development, building construction, trading and manufacturing, supports our primary business activities. In addition to our core operations, we have expanded into other value-adding businesses, including clean energy, education, and engineering & consultancy services, which enhance our overall business portfolio. Our integrated approach allows us to deliver comprehensive solutions across these sectors while ensuring efficiency and sustainability.

Value Chain

Our value chain is designed to maximise efficiency and sustainability across all stages of our operations, from project inception to final delivery. Below is an overview of the key components of our value chain:

01

Road Maintenance

SOURCING AND PROCUREMENT
We source materials such as asphalt, aggregates, and other road maintenance products from trusted suppliers who meet our stringent quality and sustainability criteria.

OPERATIONS AND MAINTENANCE
Our road maintenance teams employ state-of-the-art technologies to ensure roads are safe, durable, and environmentally friendly. This includes the use of recycled materials and eco-friendly processes to minimise environmental impact.

QUALITY CONTROL AND ASSURANCE
Rigorous quality control measures are implemented at every stage of the maintenance process to ensure the highest standards of road safety and longevity.

02

Property Development & Construction

DESIGN AND PLANNING
Our construction projects begin with meticulous planning and design, incorporating sustainable practices to reduce the environmental footprint of our developments.

CONSTRUCTION AND EXECUTION
We leverage our extensive experience in property construction to deliver projects on time and within budget, while prioritising worker safety and environmental stewardship.

SALES AND HANDOVER
Upon completion, properties are marketed and sold through a transparent and customer-focused process, with post-handover support to ensure customer satisfaction.

03

Trading & Manufacturing

MATERIAL SUPPLY
Our trading and manufacturing operations support our construction and road maintenance businesses by providing high-quality building materials, machinery, and equipment.

MANUFACTURING EXCELLENCE
We operate modern manufacturing facilities that produce essential construction materials, adhering to strict quality control protocols to ensure consistency and reliability.

Other Value-Adding Businesses

Beyond our core construction-related activities, Protasco Berhad has strategically diversified into sectors that complement our business while reinforcing our vision of delivering value for a better quality of life. These businesses not only drive financial growth but also contribute to our sustainability agenda, ensuring long-term resilience and positive environmental and social impact.

01

Clean Energy

Recognising the urgent need for climate action, we are committed to advancing clean energy solutions. Our initiatives include solar energy projects and other renewable energy developments aimed at reducing carbon footprint and supporting Malaysia's transition to a low-carbon economy. These efforts align with our ESG targets, creating new revenue streams while fostering energy security and sustainability.

02

Education

Education has always been a pillar of our corporate responsibility, and through our institutions, we provided quality programmes designed to nurture future leaders. However, to ensure financial sustainability, this BU has since been divested. Despite this, our commitment to education continues through community-driven learning initiatives, scholarships, and capacity-building programmes that empower the next generation.

03

Engineering & Consultancy Services

Our engineering consultancy division delivers expert services in civil, structural, and environmental engineering, supporting both internal and external clients. With a focus on sustainable infrastructure, we integrate innovative engineering solutions that enhance project efficiency, reduce environmental impact, and ensure long-term structural resilience.

04

Hotel & Hospitality

The Group's hospitality ventures contribute to the local economy by providing employment opportunities and supporting sustainable tourism practices. We aim to integrate green building principles and energy-efficient operations to enhance the sector's environmental responsibility while delivering quality guest experiences.

05

Agriventure

The Agriventure business aligns with Protasco Berhad's sustainability commitments by offering premium tropical fruit products while championing responsible agribusiness practices that create value for consumers, communities, and the environment. Through innovative processing techniques, we strive to minimise food waste, optimise resource use, and support the growth of the local agricultural sector, ensuring long-term sustainability and economic contribution.

Looking Ahead

As we continue to grow, Protasco Berhad remains committed to responsible business diversification, ensuring that each venture aligns with our business and sustainability goals and contributes to long-term value creation for our stakeholders. By integrating ESG considerations across all our businesses, we aim to build a more resilient, future-ready organisation that balances profitability with environmental and social responsibility.

Business Relationships

The Group maintains a broad network of business relationships that support our value chain and contribute to our sustainability efforts:

01 **Strategic Partnerships**
We collaborate with some of the industry leaders, government agencies, and academic institutions to drive innovation and sustainability across our various sectoral operations.

02 **Supplier & Contractors Engagement**
Our suppliers and contractors are key partners in our value chain, and we work closely with them to ensure ethical practices and sustainable sourcing.

03 **Client and Community Engagement**
We engage proactively with our clients and the communities in which we operate, ensuring that our projects meet the needs of stakeholders and contribute positively to society.

Commitment to Sustainable Business Practices

Sustainability is a core principle that guides all aspects of our business. From our construction and maintenance activities to our educational and clean energy initiatives, we strive to reduce our environmental impact, enhance social value, and deliver long-term benefits to all stakeholders.

Guided by this direction, our sustainability policies provide a strategic framework that helps us balance economic growth with environmental stewardship, social responsibility, and robust corporate governance.

Below are some of our policies used as the guiding principles.

	List of Policies and Framework	Purpose
01	Integrity and Anti-Corruption Policy	Demonstrates our zero-tolerance approach to corruption, ensuring ethical business conduct and fostering trust among stakeholders.
02	Conflict of Interest Policy	Ensures transparency and fairness by addressing potential conflicts to uphold integrity in decision-making processes.
03	Suppliers Code of Conduct	Establishes ethical, social, and environmental standards for suppliers to ensure responsible sourcing and mutual accountability.
04	Code of Conduct for Contractors	Sets out expectations for contractors to adhere to ethical practices, safety standards, and sustainability objectives.
05	Cybersecurity Policy	Protects data integrity and stakeholder trust by implementing robust measures against cyber threats in a digitalised business landscape.
06	ESG Risk Management Policy Statement	Outlines our commitment to identifying, managing, and mitigating ESG-related risks to enhance long-term resilience.
07	ESG Risk Management Policy and Framework	Provides a structured approach to integrating ESG considerations into decision-making to support sustainable growth.*
08	OSH Policy	Promotes a safe and healthy workplace by mitigating risks and fostering a culture of well-being for all employees.
09	Human Rights Policy	Upholds universal human rights principles, ensuring dignity, equality, and respect across all operations and supply chains.
10	Non-Discrimination Policy	Reinforces our commitment to a diverse and inclusive workplace by prohibiting all forms of discrimination.
11	Net-Zero GHG Transition Plan	Defines our roadmap to achieving net-zero emissions, reflecting our dedication to mitigating climate change.
12	Sustainability Policy	Guides our efforts to balance economic, social, and environmental considerations in all business activities.

	List of Policies and Framework	Purpose
13	**Materiality Assessment Guide**	Provides a systematic approach to identifying and prioritising sustainability issues that are most impactful to our stakeholders and business.*
14	**Group ESG Framework**	Aligns our ESG initiatives across the organisation to drive integrated and impactful sustainability practices.*
15	**Whistleblowing Policy Statement**	Encourages the reporting of unethical behaviour by ensuring confidentiality and protection for whistleblowers.
16	**Whistleblowing Policy and Framework**	Establishes a structured mechanism for addressing concerns, promoting accountability and transparency.*

* *The above-mentioned documents are intended for internal reference and use.*

These policies are not merely about complying with regulatory requirements; they are integral to our long-term strategic vision. By embedding these policies, frameworks, and procedures into our core business practices, we enhance our capacity to innovate, improve operational efficiency, and strengthen our competitive position in the market, all while focusing on ESG considerations. This approach, in turn, supports the creation of long-term value for our shareholders, employees, customers, and other stakeholders.

Our Future Outlook

The Group is dedicated to expanding and enhancing our value chain to meet the evolving needs of our industry and the global shift towards sustainability. We will continue to innovate within our core businesses while actively pursuing new opportunities through clean energy, and engineering services, ensuring our position as a leader in responsible and sustainable business practices.

We are committed to strengthening our relationships with current and relevant industry associations. By deepening our engagement, we aim to contribute to the development of industry standards, advocate for sustainable practices, and reinforce our leadership within the sector. Active participation in these associations remains a vital component of our long-term growth and sustainability strategy.

The Road Maintenance Division participated in "Persidangan Pegawai Kanan JKR Malaysia Tahun 2024 (SOC 2024)" which was held on 27-29 May 2024.

Minister of Works visited Dungun to assess road infrastructure development in Terengganu.

OUR STRENGTH

INPUT

NATURAL RESOURCES
- Energy
- Solar Energy
- Water
- Materials

TECHNOLOGY
- Process digitalisation
- Stakeholder experiences at each touchpoint

RELATIONSHIP
- Engagement
- Partnership
- Support

HUMAN CAPITAL
- Motivated staff
- Upskilling and re-skilling
- Diversified staff
- Healthy work environment

VALUE CHAIN SUPPORT
- Active and trustworthy suppliers and contractors
- Strong brand support
- Compliance

FINANCIAL CAPITAL
- New shareholders' capital
- Savings through cost optimisation

OUR BUSINESS MODEL & OUTPUT

STRATEGIC FOUNDATION

Result Oriented

Ownership

Customer Focused

Knowledge Driven

Integrity

Teamwork

6 CORE VALUES

5 SUSTAINABILITY GOALS

1. Human Capital Development
2. Digitalisation for Better Stakeholder Experience
3. Humanity Care & Support
4. Preservation & Conservation
5. Compliance & Integrity

PROTASCO BERHAD

5 CRITICAL SUCCESS FACTORS

1. Talent Management
2. Culture Transformation
3. Digitalisation
4. Business Sustainability
5. Business Process Innovation

Maintenance

Property Development

Hotel & Hospitality

Construction

Trading & Manufacturing

Education

Engineering & Consultancy Services

Clean Energy

Agriventure

BUSINESS ACTIVITY

OUR VALUE TO STAKEHOLDER

OUTPUT	OUTCOME	UNSDG*	IDEAL IMAGE
PRESERVATION & CONSERVATION Support the development of eco-efficiency community and environment through various initiatives and partnerships.	• Total **non-renewable energy consumption FY2024 is 3,388,374** with an increase of 26.12% from last year. (FY2023 was 2,686,665) • Total **renewable energy consumption FY2024 is 435,952** with a decreased by 62.39% from FY2023. (FY2023: 1,159,024) • **CO_2 emission avoidance** based on consuming solar energy (tonnes) for **FY2024 is 260**. (FY2023 was 691). • **35% waste recycled** from landfill, non-hazardous waste from landfills: (FY2023: 29%) • **5 user friendly product/material**; recycle materials used for projects. (FY2023: 3 materials) • **Budget spent on Biodiversity**/conservation efforts / programmes / initiatives/ hydro seeding for **FY2024 is RM136,404**. (FY2023: RM11,296)	6, 7, 9, 11, 13, 14, 15	To be an internationally acclaimed conglomerate ensuring growth and delivering value for a better quality of life.
HUMANITY CARE & SUPPORT Continue to provide care and support to the stakeholders for an excellent experience and quality of life.	• Customer satisfaction achiever in average for **FY2024 is 88%**. (FY2023: average about 86%) • **30 Cybersecurity cases** received, **2 of awareness programme** conducted, and **1 stakeholder data losses**. (FY2023: 17 cases reported; 1 awareness programme with 0 stakeholder data losses) • In **FY2024 a total of 126 of philanthropic activities** were conducted with various stakeholders. (FY2023: 102 philanthropic activities) • **Community investment for FY2024 is RM2,006,061** for **6 beneficiaries**. (FY2023: RM425,056 with 6 beneficiaries)	1, 2, 4, 8, 9, 11, 16, 17	
HUMAN CAPITAL DEVELOPMENT To constantly improve and nurture the Group's diversified talents with an up-to-date skills and provide a healthy and safe work environment.	• **RM58,520,000 paid** in salaries, bonuses, and benefits. (FY2023: RM70,532,372.) • A total of **RM808,928 spent for upskilling** with a **training hour of 27,761** (FY2023: RM626,165 spend with a total hour of 20,520) • **84% of employees attended training in FY2024** (FY2023: 81% attended training). • **2,059,632 no** of **total working manhour** with **1 of fatalities**. (FY2023: 1,401,944 working hours with 0 fatalities) • **374** Workplace **safety and health awareness activities/programmes** were conducted. FY2023: 39)	3, 8	
COMPLIANCE & INTEGRITY Continuously ensure businesses within the Group practises the institutional and environmental ethics guided by its core value and governance.	• Holds **9 certifications** for the **product and services provided**. (FY2023: 9 certifications) • **RM41,497 of penalties** related to ethics and/or environment. (FY2023: RM0 penalties) • **Zero no** of cases were recorded **for anti-corruption**. (FY2023: 0 cases) • **591 no** of staffs **trained for integrity**. (FY2023: 103 staffs)	12, 16	
ECONOMIC SUSTAINABILITY Continuous enhancement in the generated and retained economic value, coupled with a robust commitment to community investment, resulting in a Sustainable Compound Annual Growth rate and a thriving business entity.	• **RM22.1 million paid** for tax. (FY2023: RM8.6 million) • Cumulative shareholders return since listing in year 2003: 142% ROI (FY2023: 134% ROI) • Total proposed **dividend payment for FY2024**: RM0 (FY2023: RM0) • **Total finance cost FY2024: RM12.4 million** (FY2023: RM12.8 million) • Economic Value Retained for **FY2024: RM55.5 million** (FY2023: RM21.1 million)	8	

STAKEHOLDER ENGAGEMENT

Why it is important?

Our commitment to sustainability is deeply rooted in active and meaningful stakeholder engagement. We are continuously improving our communication with our stakeholders, ensuring their perspectives and needs are integral to our decision-making processes.

Our Approach

Our approach to stakeholder management is guided by our corporate values, sustainability objectives, and regulatory requirements. We aim to create shared value by progressively aligning our business practices with the needs and expectations of our stakeholders, including employees, customers, investors, suppliers, communities, and regulatory bodies. This alignment ensures that our initiatives are not only responsive but also proactive in addressing key issues that impact both our business and the wider community.

Our stakeholder prioritisation matrix was last reviewed in 2023 and has remained unchanged since. The next review of the matrix is scheduled for 2025.

PROTASCO BERHAD
STAKEHOLDERS PRIORITISATION

Our Performance

In FY2024, Protasco Berhad strengthened its commitment to stakeholder engagement through targeted initiatives designed to foster open communication and collaboration.

Stakeholder Engagement

Throughout the year, each BU within the Group conducted a series of engagement sessions with key stakeholder groups, including employees, customers, suppliers, and local communities (refer to the Stakeholder Engagement table). These sessions offered valuable insights that informed our sustainability strategies and ensured our business practices aligned with stakeholder expectations.

	Specific Stakeholder Addressed	Type of Engagement	Frequency	Areas of Interest	Materiality Matters Addressed
Shareholders & Investors	**1.** Shareholders	**1.** Board Meeting **2.** Annual General Meeting	**1.** Quarterly **2.** Yearly	**1.** Business Strategy **2.** Financial **3.** Operation **4.** Risk Management **5.** Sustainability Compliance	**1.** Economic Performance **2.** Diversity - Board Compliance **3.** Anti-Corruption **4.** Occupational Safety & Health **5.** Labour Practices **6.** Data Privacy and Cybersecurity **7.** Climate Change
Customers	**1.** Project Owners **2.** End users of the product and service **3.** Students	**1.** Meetings **2a.** Customers Satisfaction Survey **2b.** Customer Feedback **2c.** Strategic CSR Event **3.** Academic Activities	**1.** As and when required **2a.** Annually **2b.** As required **2c.** Ongoing **3.** Ongoing	**1.** Work Progress **2a.** Quality of Work **2b.** Relationship Building **3a.** Financial Support **3b.** Compliance	**1.** Customer Satisfaction **2.** Data Privacy and Cybersecurity **3.** Compliance
Employees	**1.** Management Staffs	**1.** Survey **2.** Meetings **3.** Engagement and Events **4.** Training	**1.** Ongoing	**1.** Staff career development **2.** Staff Welfare **3.** Motivation and Teamwork **4.** Health and Well-being	**1.** Diversity **2.** Labour Practices **3.** Anti-corruption **4.** Data Privacy and Cybersecurity **5.** Compliance **6.** Economic Performance
Suppliers & Contractors	**1.** Suppliers **2.** Contractors	**1.** Meetings and Events	**1.** Ongoing	**1.** Financial Stability **2.** Work Progress **3.** Quality of Work **4.** Relationship Building	**1.** Procurement Practices **2.** Occupational Health & Safety **3.** Waste Management

	Specific Stakeholder Addressed	Type of Engagement	Frequency	Areas of Interest	Materiality Matters Addressed
Government & Authorities	**1.** State Authority **2.** Local Authorities **3.** Government Bodies **4.** Licencing Bodies **5.** Regulators	**1.** Meetings and Workshops	**1.** As and when required	**1.** Regulatory compliance **2.** Work in progress **3.** Builing Relationship **4.** Quality of Work **5.** CSR Events	**1.** Compliance **2.** Occupational Safety & Health **3.** Anti-corruption **4.** Energy Management **5.** Climate Change **6.** Waste Management **7.** Water Management **8.** Data Privacy and Cybersecurity **9.** Governance **10.** Socioeconomic Compliance **11.** Environmental Compliance **12.** Supplier Environmental Assessment
Community	**1.** Local communities	**1.** CSR Events Meetings	**1.** Ongoing	**1.** Investment into community infrastructure and development	**1.** Community Investment and Development
Business Partners	**1.** Industry Partners **2.** Franchisees	**1.** Progress Report **2a.** Virtual Meetings **2b.** Performance Audit	**1.** Based on requirement	**1a.** Business Strategy **1b.** Financial **2a.** Operation **2b.** Compliance	**1.** Economic Performance **2.** Anti-Corruption **3.** Occupational Safety & Health **4.** Labour Practices **5.** Data Privacy and Cybersecurity
Financial Institutions	**1.** Financial Provides such as Banks	**1.** Meeting **2.** Construction progress [site visit by Financial Institution]	**1.** Based on requirement	**1.** Financial Performance Compliance	**1.** Economic Performance **2.** Anti-Corruption **3.** Occupational Safety & Health **4.** Labour Practices **5.** Data Privacy and Cybersecurity **6.** Climate Change **7.** Compliance

To identify material issues most significant to both stakeholders and the business, we conducted an online survey.

The feedback gathered through these engagement channels has been instrumental in refining our stakeholder management approach. By incorporating these insights into our decision-making processes, we ensure steadily that our strategies remain responsive to the evolving needs and concerns of those impacted by our operations.

Looking ahead, we remain committed to enhancing our stakeholder engagement processes by broadening the scope to include more stakeholders within each BU, addressing material issues, responding to emerging concerns, and actively engaging with new stakeholder groups.

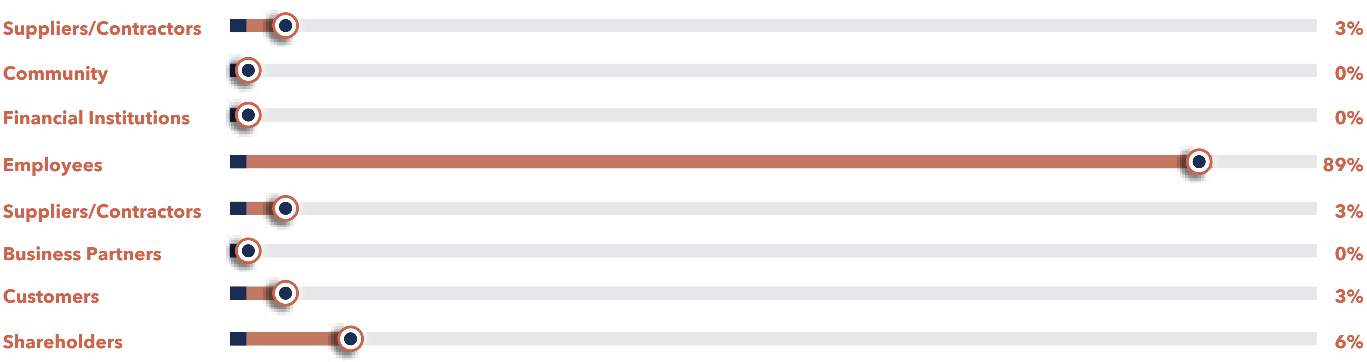
MATERIALITY MATTERS

In our pursuit of sustainable growth, we prioritise materiality matters that align with our stakeholders' concerns and our business objectives. Through rigorous assessment, we identify and focus on the issues that have the most significant impact on our operations and the communities we serve.

Our stakeholder

Recognising the evolving expectations of our stakeholders, we conducted an online Stakeholder Survey to gather their views and concerns. This shift from a manual to a digital approach has allowed us to engage stakeholders across Malaysia more efficiently while maintaining open feedback channels.

STAKEHOLDER RESPONSE RATE



Although the link was shared with all stakeholders to gather feedback on their concerns, the response from the community, financial institutions, and business partners was limited. As a result, this report focuses on incorporating feedback received from employees, customers, and shareholders to ensure a comprehensive and meaningful approach.

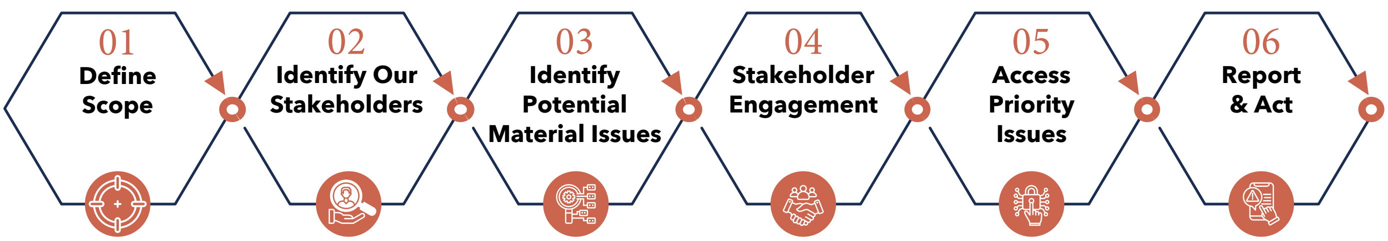
Looking ahead, we aim to improve our approach by prioritising accessibility and inclusivity, ensuring that stakeholders at all levels can provide feedback in their preferred language.

The feedback we receive enables us to understand and address stakeholder concerns effectively. By systematically aligning our sustainability strategies with the broader social, environmental, and economic contexts in which we operate, we ensure that our initiatives remain relevant and impactful. This integration underpins our IAP 3.0 efforts, driving meaningful change and reinforcing our commitment to sustainable progress.

Materiality process

In 2024, we embarked on a comprehensive materiality assessment to identify the most critical sustainability issues for Protasco Berhad. This assessment was designed to ensure that our sustainability strategy aligns with the expectations of our stakeholders and addresses the challenges and opportunities relevant to our business.

MATERIALITY PROCESS



Defining the scope

The materiality assessment covers the fiscal year 2024, with an outlook for the next three (3) years. This time frame allows us to address immediate concerns while also preparing for longer-term challenges and opportunities.

We began by mapping out the key environmental, social, governance (ESG), and economic issues that could potentially impact our operations and stakeholders. These topics were selected based on industry trends, regulatory requirements, and internal objectives, ensuring a broad and inclusive perspective.

Given the wide reach of our operations across Malaysia, the materiality assessment focused on our national operations. However, particular attention was given to regions where our activities have a significant environmental or social footprint, allowing us to tailor our strategies to local conditions.

Identify our stakeholders

Recognising the importance of diverse perspectives, we defined our stakeholder groups to include employees, customers, investors, suppliers and contractors, regulatory bodies, financial institutions, business partners, and local communities. These stakeholders were identified based on their influence on, and interest in, our business activities.

Identify potential material issues

As part of our 2024 materiality assessment, Protasco Berhad undertook a systematic process to identify the sustainability issues that are most relevant to our current businesses and stakeholders. This step is crucial for ensuring that our sustainability strategy focuses on the areas where we can have the greatest impact.

Some of the references used were:

A — Reviewing reports from industry peers, regulatory guidelines, and global sustainability frameworks such as the Global Reporting Initiative (GRI) and the Task Force on Climate-related Financial Disclosures (TCFD).

B — Conducting risk assessment to identify operational, financial, and reputational risks related to ESG factors.

C — Aligning potential material issues and evaluate against our Group's strategic objectives, particularly in the areas of sustainability, growth, and innovation.

ESG	Nos	Materiality Topics
Environment	1	Biodiversity
	2	Climate Change
	3	Energy Management
	4	Materials
	5	Waste Management
	6	Water Management
Social	7	Community Development
	8	Customer Satisfaction
	9	Data Privacy & Cybersecurity (DPC)
	10	Diversity
	11	Economic Performance
	12	Labour Practices
	13	Occupational Safety & Health (OSH)
	14	Procurement Practices
	15	Training & Development
Governance	16	Anti-Corruption
	17	Compliance

Stakeholder engagement

The materiality gathered are presented in a survey with diverse group of stakeholders, including employees, customers, investors, suppliers, regulatory bodies, and local communities.

Assess priority materiality issues

The Group has identified a materiality concern scale based on percentages, categorised into different levels of priority as indicated in the Table below.

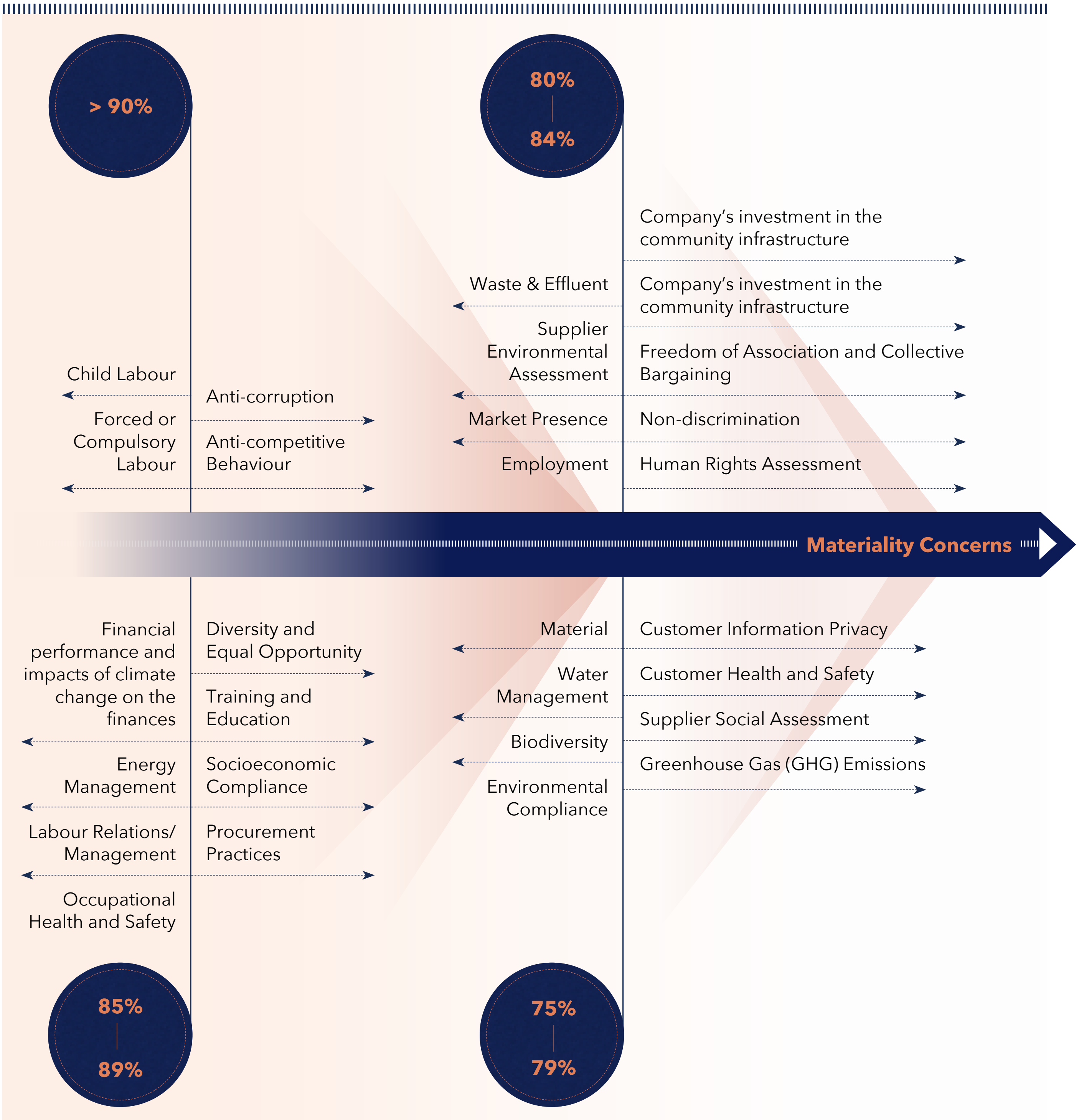
Percentage Range	Materiality Concern Level	Description
75% - 100%	Very High Priority	Critical issue for stakeholders; must be addressed immediately and incorporated into strategies.
50% - 74%	High Priority	Important issue that significantly impacts stakeholders and requires focused attention.
25% - 49%	Moderate Priority	Relevant concern that warrants consideration but may not require immediate action.
0% - 24%	Low Priority	Minor concern with minimal impact; can be monitored or addressed in the longer term.

Stakeholder feedback on material concerns revealed that all identified matters were categorised as Very High Priority, emphasising the need for these issues to be addressed and integrated into our business strategies.

Within this category, material concerns scoring 85% and above represent the highest stakeholder priorities, with near-universal agreement on their critical significance. These issues demand urgent and focused action to meet stakeholder expectations and ensure alignment with our organisational objectives.

In comparison, material concerns scoring between 75% and 84%, while slightly lower in consensus than the top band, remain essential. These concerns require prompt attention and progressive integration into our core strategies to maintain stakeholder trust and uphold our commitments.

The launch of IAP 3.0 was held on 18 July 2024, focused on sustainability efforts throughout the Group



The figure above summarises the materiality concerns and their respective scores as determined through the stakeholder survey.

Once the potential material issues were identified, they were prioritised based on their importance to stakeholders and their impact on our business operations. This was followed by a comprehensive validation process conducted by the Sustainability Committee and senior management, ensuring that the final list of material issues accurately represents Protasco Berhad's most critical sustainability challenges and opportunities.

Stakeholder's Materiality Matters Priority (A Summary)

ECONOMIC

Financial performance and impact of climate change on the finances

ENVIRONMENT

Energy Management

SOCIAL

- Child Labour
- Forced or Compulsory Labour
- Labour Relations/ Management
- Occupational Health and Safety
- Training and Education
- Diversity and Equal Opportunity
- Socioeconomic Compliance

GOVERNANCE

- Anti-corruption
- Anti-competitive Behaviour
- Procurement Practices

The concerns highlighted above are being actively addressed, with continuous enhancements to our initiatives and efforts within all BUs.

Over the next three (3) years, the Group will prioritise not only the highest priority concerns but also other key issues, implementing targeted plans and initiatives to address them comprehensively and drive sustainable growth. These efforts aim to ensure alignment with regulatory expectations and compliance requirements.

2024

The Group priorities addressing material issues scoring 85% and above, while also developing policies, initiatives, and allocating resources for concerns scoring 80% - 84%.

2025

The Group prioritises material concerns scoring 75% and above ensuring alignment with regulatory requirements and compliance standards.

2026

Full implementation of the targeted policies and initiatives for all material concerns scoring 75% and above with measurable outcomes demonstrating progress.

In FY2024, our group has strategically allocated resources across the ESG categories to align with our commitment to sustainable growth and responsible business practices. Our focus reflects the importance we place on addressing environmental challenges, strengthening governance, fostering economic resilience, and supporting social initiatives.

The final list of prioritised material issues will guide our sustainability initiatives and reporting for the coming years. By aligning our focus areas with stakeholder expectations and industry standards, we ensure that our efforts contribute to long-term value creation for both our business and the broader community.

ESG RISK PERFORMANCE

Our Group's ESG Risk Strategy outlines a comprehensive approach and framework for identifying, assessing, managing, and monitoring ESG-related risks across the organisation. By proactively managing ESG risks, we aim to create long-term value, enhance our resilience to challenges, and align our business practices with the principles of sustainability.

Nos	ESG Risks	Risk Identification	Opportunities	FY2024 ESG Risk Performance
1	**Economic Performance**	• Market volatility impacting revenue streams. • Rising operational costs affecting profitability.	• Strengthening local supply chain integration to support economic sustainability. • Diversifying business portfolios to mitigate sector-specific risks.	*Refer to page 52-53*
2	**Anti-Corruption**	• Non-compliance with anti-bribery laws affecting reputation and stakeholder trust. • Potential legal consequences due to lack of awareness and training. • Supply chain integrity issues if third-party vendors do not adhere to ethical standards.	• Strengthening governance by increasing anti-corruption training coverage beyond 50% target. • Enhancing whistleblowing framework. • Implementing a more robust supplier due diligence framework to prevent corruption risks in procurement.	*Refer to page 54 - 57*
3	**Compliance**	• Non-compliance with industry standards (e.g., Occupational and Safety & Health Act (OSHA), Department of Environment (DOE), Bursa Malaysia reporting). • Regulatory changes requiring rapid adaptation.	• Enhancing digital tracking of compliance metrics. • Strengthening internal policies to exceed minimum legal requirements. • Conducting more compliance training for all BUs.	*Refer to page 57 - 59*
4	**Procurement Practices**	• Overspending on overseas suppliers can result in higher transportation costs, currency risks, supply chain disruptions, and a diminished ability to support the local economy. • Supplier ESG non-compliance affecting overall sustainability targets.	• Strengthening supplier ESG compliance (target: 70% adoption). • Tracking and monitoring procurement practices. • Implementing stricter procurement evaluation metrics.	*Refer to page 60 - 62*
5	**Community Development**	• Failure to meet community expectations may impact corporate reputation. • Inadequate outreach leading to weak social license to operate.	• Strengthening social impact through targeted education and B40 assistance programmes. • Expanding employee volunteerism to increase engagement. • Aligning projects with sustainable development goals (SDG).	*Refer to page 62 - 65*
6	**Diversity**	• Low female participation in managerial roles. • Challenges in attracting and retaining diverse talent.	• Expanding gender diversity initiatives beyond the set target. • Introducing mentoring programmes to encourage female leadership. environment.	*Refer to page 65 - 69*
7	**Occupational Safety & Health (OSH)**	• Workplace incidents affecting employee well-being and business continuity. • Non-compliance with ISO 45001 standards leading to penalties.	• Strengthening safety culture through targeted training. • Expanding LTIR tracking for improved safety performance. • Enhancing mental health and well-being programmes.	*Refer to page 69 - 71*

Nos	ESG Risks	Risk Identification	Opportunities	FY2024 ESG Risk Performance
8	**Customer Satisfaction**	• Poor service quality affecting customer trust and retention. • Failure to meet evolving customer expectations leading to decreased business growth.	• Strengthening digitalisation to enhance customer experience. • Implementing real-time feedback systems for better service improvement.	*Refer to page 72 - 74*
9	**Data Privacy & Cybersecurity**	• Increasing cyber threats and potential data breaches. • Non-compliance with Malaysia's Cybersecurity Act 2024 (Act 854). • Loss of stakeholder trust due to inadequate data protection measures.	• Strengthening cybersecurity policies in line with IAP 3.0 digitalisation strategy. • Conducting cybersecurity awareness training across all levels. • Implementing threat detection systems.	*Refer to page 75 - 76*
10	**Labour Practices**	• Labour shortages impacting project timelines. • Non-compliance with fair labour practices leading to reputational risks.	• Strengthening upskilling and training programmes. • Enhancing employee well-being initiatives to boost retention. • Implementing fair employment policies to attract top talent. to act responsibly and contribute positively to society.	*Refer to page 77 - 83*
11	**Water Management**	• Inefficient water usage increasing operational costs. • Regulatory penalties for excessive water consumption.	• Improving tracking and monitoring of water usage data.	*Refer to page 84*
12	**Waste Management**	• Lack of a dedicated waste management policy may impact long-term sustainability. • Rising waste disposal costs and regulatory compliance pressure.	• Expanding waste reduction initiatives (e.g., beach cleaning project). • Implementing circular economy principles to minimise waste. • Strengthening partnerships for sustainable waste disposal solutions.	*Refer to page 85 - 86*
13	**Material Management**	• Inconsistent sustainable sourcing affecting project certifications. • Rising costs of eco-friendly materials.	• Achieving Key Performance Indicator (KPI) for sustainable materials adoption. • Expanding supplier engagement on responsible sourcing. • Enhancing Research & Development (R&D) for cost-effective sustainable material alternatives.	*Refer to page 87 - 88*
14	**Energy Management**	• High energy consumption increasing operational costs. • Regulatory pressure for energy efficiency compliance.	• Meeting the Building Energy Index (BEI) KPI of 50 kWh/m²/year. • Implementing energy-efficient systems/ initiatives for cost reduction.	*Refer to page 89 - 90*
15	**GHG Emissions (Climate Change)**	• Rising carbon footprint affecting regulatory compliance and investor confidence. • Potential penalties for exceeding emissions limits.	• Strengthening Scope 1 & 2 emission tracking systems. • Implementing low-carbon strategies to align with Bursa Malaysia's TCFD reporting requirements. • Expanding renewable energy adoption across operations.	*Refer to page 90 - 91*
16	**Biodiversity**	• Environmental degradation impacting project approvals and community acceptance. • Loss of local biodiversity due to construction and maintenance activities. • Potential regulatory penalties due to stricter environmental policies.	• Expanding conservation projects via Non-Governmental Organisation (NGO) partnerships. • Enhancing stakeholder engagement through biodiversity impact studies.	*Refer to page 92 - 93*

ESG PERFORMANCE SCORECARD

Environmental

Materiality Matters	Key Performance Indicators (KPI) Target	Actual
Biodiversity	Implement at least 1 biodiversity-positive project compared to the previous year.	There has been 3 projects undertaken under the Group by various BUs compared to previous year.
GHG Emissions [Scope 2]	Achieve a reduction of 1% in Scope 2 carbon emissions compared to the previous year.	FY2023 the carbon footprint was 2,215 tCO_2e and FY2024 is 2,983 tCO_2e. It is an increase of 34.6%.
Energy Management	Reduce electricity consumption by 1% per square meter compared to the previous year.	Reduction of 0.55% electricity consumption per square meter.
Materials	Minimum 3 environmentally friendly, or recyclable materials used for projects within the Group.	5 environmentally friendly, or recyclable materials used for projects within the Group.
Waste Management	Achieve a 3% annual increase in the rate of waste recycled, treated, or diverted from landfill, based on the total waste generated from the company's activities.	35% of waste recycled, treated, or diverted from landfill from the total waste generated.
Water Management	Reduce water consumption by 1% per square meter of building space compared to the previous year.	An increase of 9.3% was recorded (FY2023 was 0.43sq m^2 and in FY2024 is 0.47sq m^2).

Social

Materiality Matters	Key Performance Indicators (KPI) Target	Actual
Community Development	Commit a minimum annual investment of RM200,000 in community initiatives, benefiting at least 5 community groups each year.	A total of RM2,006,061 was invested into community development benefiting a group of 6 external beneficiaries.
Customer satisfaction	To maintain 70% Customer Satisfaction.	The Group has recorded on an average 88% score on its customer satisfaction.
Data privacy and cybersecurity	To achieve 50% employee participation on cybersecurity awareness programme annually.	38% participated in the cybersecurity awareness programme.
	Maintain a data loss rate of zero incidents concerning stakeholders annually.	1 data loss related incident has been recorded within the Group classified as low impact.
Diversity	Maintain a minimum of 5% representation of women in managerial roles across the Group.	35% representation of women in managerial roles across the Group.
Labour Practices	Ensure that at least 80% of the Group's employees are permanent or contract staff receiving full benefits.	As of FY2024, there are 97% of the Group's employees as permanent and contract workers receiving full benefits.
	Ensure that at least 50% of the Group's employees receive awareness training on human rights violations.	14% staffs received awareness training on human rights violations.
	Achieve a minimum of 70% of Group's employees attending at least one (1) skills development training session.	84% of Group's employees attending at least one (1) skills development training session during FY2024.

Social

Materiality Matters	Key Performance Indicators (KPI)	
	Target	**Actual**
Occupational Safety & Health	Reduce the number of workplace fatalities to zero or as low as reasonably achievable (ALARA).	1 workplace fatalities has been reported.
	To ensure Group's Lost Time Incident Rate (LTIR) is less than 1.	Despite the high LTWR due to the fatality, the Lost Time Incident Rate (LTIR) remains low at approximately 0.97.
	Achieve a minimum of 60% of Group employees attending at least one (1) workplace safety and health awareness training session.	48% employees have been reported to attend safety and health training and awareness programme.
Procurement Practices	Achieve at least 70% of total supplier spending with local suppliers.	97.62% of the Group's total supplier spending is with local suppliers.
	Achieve a 100% evaluation rate of all current suppliers' ESG performance.	Less than 50% evaluation are done on supplier's ESG performance.

Governance

Materiality Matters	Key Performance Indicators (KPI)	
	Target	**Actual**
Anti-corruption	Achieve zero reported incidents of corruption.	There has been ZERO case incidents reported on anti-corruption within the Group.
	Assess at least 10% of significant operations for anti-corruption risks.	28% anti-corruption risks are being assessed.
	Ensure that at least 50% employees should receive training/awareness on anti-corruption policies and procedures annually.	41% staff attended anti-corruption training.
Compliance	Ensure zero instances of non-compliance, business ethics cases, or penalties imposed by authorities.	5 non-compliances has been recorded across the Group.

Legend: progress tracking

On track to meeting set targets

Falling short on meeting target for 1 year, review current practices

Falling short on meeting target for more than 2 years, review and revise targets (if necessary)

MANAGEMENT APPROACH FOR MATERIAL MATTERS

ECONOMIC PERFORMANCE

Related UNSDGs: 8 DECENT WORK AND ECONOMIC GROWTH, 9 INDUSTRY, INNOVATION AND INFRASTRUCTURE, 12 RESPONSIBLE CONSUMPTION AND PRODUCTION

Why is this important?

At Protasco, economic sustainability is a core element of our business strategy, underpinning our commitment to delivering long-term value to stakeholders. Through consistent financial performance, we drive job creation, support local economic growth, and contribute to national development. Aligned with the United Nations Sustainable Development Goals (UN-SDGs), we focus on enhancing infrastructure and public services, improving the quality of life in the communities we serve, and reinforcing our dedication to responsible and sustainable growth.

Our approach

FY2024 Economic Performance Approaches

FINANCIAL STABILITY AND GROWTH

In FY2024, we achieved a 16% increase in revenue, reflecting our continued focus on sustainable and responsible business practices. Our profitability remained strong, with a 4.2% profit margin, driven by effective cost management and strategic investments in high-growth areas.

We remain committed to long-term value creation by prioritising projects that support business resilience and sustainable growth. Through prudent financial management and strategic decision-making, we continue to strengthen our market position while contributing to economic development.

TAX

As part of our commitment to sustainable economic performance, we uphold responsible and transparent tax practices that contribute to national and community development. We ensure full compliance with all applicable tax laws, regulations, and public rulings in the jurisdictions where we operate, adhering to legal requirements and industry standards.

In FY2024, we contributed RM22.1 million in taxes, a 156% increase from 2023, reflecting our business growth and sustained financial performance. These contributions support critical public services such as infrastructure development including road maintenance, construction, renewable energy, and hospitality, reinforcing our role in national economic progress.

Through ethical tax practices and strict compliance with relevant laws, we continue to strengthen our economic contributions while maintaining responsible business operations.

RISK MANAGEMENT

Our economic risk management framework is designed to anticipate and mitigate potential risks that could impact our financial performance. We conduct annual risk assessments, evaluating factors such as market fluctuations, geopolitical uncertainties, and ESG-related risks.

The findings from these assessments are presented bi-annually to the Board Risk Management Committee, ensuring proactive oversight and strategic decision-making to address both short-term disruptions and long-term challenges.

MARKET PRESENCE	SUSTAINABLE INVESTMENT	SUSTAINABLE GROWTH STRATEGY

FY2024 Economic Performance Approaches

Market Presence

As part of our growth strategy, we have embarked on a new agriventure, expanding into the agriculture industry while also building our international portfolio. This strategic move enhances our market presence and aligns with our commitment to sustainable and responsible business practices.

Our expansion not only supports economic development in emerging regions but also reinforces our competitive positioning. By investing in innovation and customer-centric solutions, we continue to differentiate ourselves in the marketplace, offering products and services that meet the increasing demand for ethical and sustainable business practices.

Sustainable Investment

In FY2024, we did not secure any green financing, compared to FY2019, when we obtained RM26 million from OCBC through Term Financing-i (2) and the Green Technology Financing Scheme for Large Scale Solar (LSSS) PV plant of 9MWdc at Masjid Tanah, Melaka.

Despite this, we remain committed to sustainability and continue to explore green financing opportunities to support environmentally responsible projects.

Sustainable Growth Strategy

Our sustainable growth strategy focuses on long-term value creation, balancing financial performance with responsible business practices. In FY2024, we achieved a 21% return on capital employed, reflecting our commitment to efficient resource management and strategic investments that drive sustainable growth.

To support regional economies and reduce our carbon footprint, we have prioritised local sourcing efforts, strengthening partnerships with local suppliers and contributing to economic development in the communities where we operate.

In FY2024, 98% of our procurement was sourced from local suppliers, contributing to economic development in the communities where we operate.

Our long-term economic planning is designed to ensure resilience and adaptability, with diversified revenue streams and flexible business models that can weather economic challenges and seize new opportunities.

With all the above management approaches, our strong ESG performance has yielded significant economic benefits, including cost savings from energy efficiency and enhanced reputation, which have opened up new business avenues. These combined efforts are crucial to maintaining our financial health and securing long-term success.

Our performance

In the current fiscal year, the Group achieved a total revenue of RM1,307.6 million, with the predominant share of 89% originating from our Maintenance and Trading & Manufacturing segments at 70% and 19% respectively. Protasco Berhad consistently creates value for our stakeholders, as illustrated in the table provided below.

Economic Details	FY2024 RM'000	FY2023 RM'000
Economic Value Generated *[i.e., Revenue and other income]*	**1,327,085**	1,142,663
Economic Value Distributed		
Operating Cost	**1,129,696**	1,010,113
Employee Wages & Benefits	**103,835**	84,365
Payment to providers of capital *[i.e. Dividend and Financial Cost]*	**12,389**	12,833
Payment to government *[i.e. Tax]*	**23,703**	13,854
Community Investment	**2,006**	425
Economic Value retained	**55,456**	21,073

ANTI-CORRUPTION

Related UNSDGs: 8 DECENT WORK AND ECONOMIC GROWTH; 16 PEACE, JUSTICE AND STRONG INSTITUTIONS

Why is this important?

At Protasco Berhad, we are steadfast in upholding the highest standards of business ethics and compliance, guided by our core ROCK-IT values. Adhering to these principles is essential not only for safeguarding our business and stakeholder interests but also for fostering trust and confidence among our stakeholders. Maintaining strict compliance is vital for protecting our reputation, securing our operational licenses, and ensuring our continued presence on the public market. By committing to these standards, we reinforce our role as a responsible and ethical organisation dedicated to sustainable growth.

Our approach

At Protasco Berhad, our approach to anti-corruption is anchored in a zero-tolerance policy towards bribery, fraud, and any form of unethical conduct. We have implemented a comprehensive framework that ensures our operations are conducted with the highest level of integrity and transparency.

FY2024 Anti-corruption Approaches

POLICIES AND PROCEDURES

- Our Integrity & Anti-Corruption Policy establishes a robust framework to combat corruption and bribery, clearly defining the standards of ethical conduct expected from all employees, business partners, and third-party associates. This ensures that all stakeholders uphold the principles of integrity in their professional dealings. This policy available on our website.

- Conflict of Interest (COI) Policy been established to address specifically all Directors of Protasco Berhad and Key Senior Management in the Company. This policy require all decisions and actions made by Directors and Senior Managements are made in the best interest of the company. They are required to make an annual declaration of COI or potential COI via the COI Declaration Form.

- A key pillar of this framework is our Discretionary Authority Limits (DAL), which sets out clear guidelines on the levels of authority and approval required for financial and operational decisions. By enforcing stringent oversight on transactions, the DAL minimises the risk of corruption, unauthorised activities, and potential conflicts of interest.

TRAINING AND AWARENESS

- We are dedicated to building a culture of integrity by providing annual and comprehensive training on anti-corruption behaviour.

- To ensure broad understanding and adherence, we have set a KPI that requires at least 50% of our employees, to receive this anti-corruption related training annually.

  This structured approach ensures that our employees at all levels are well-equipped to recognise and prevent unethical behaviour, further strengthening our commitment to anti-corruption.

- On 3 October 2024 an Anti-Corruption Awareness Talk by Puan Zairinhani Binti Zulkifly from Malaysian Anti-Corruption Commission (SPRM) was undertaken. A total of 591 employees attended this.

FY2024 Anti-corruption Approaches

WHISTLEBLOWING MECHANISM

- Our whistleblowing mechanism remains a key pillar of our anti-corruption strategy, providing a secure and confidential channel for reporting any suspected misconduct or breaches of our policies, including the Discretionary Authority Limits.
- An Internal Audit was conducted to ensure its process and the cases reported.
- In November 2024, we had re-evaluated and enhanced our whistleblowing policy and framework to ensure it remains robust and effective. Communication with all BUs were done in December 2024 on the policy. Our team has rolled out an awareness programme to inform all employees and stakeholders of the changes and reinforce the importance of using this mechanism to uphold our ethical standards.

RISK ASSESSMENT AND DUE DILIGENCE

- We conduct annual risk assessments for anti-corruption across all BUs within the Group.
- These assessments are meticulously planned and executed according to a schedule submitted to the Audit Committee.

  This proactive approach enables us to identify potential risks, implement effective mitigation strategies, and ensure that our operations remain compliant with our anti-corruption policies and procedures. The regularity and thoroughness of these assessments are integral to maintaining the integrity of our business practices and safeguarding our reputation.

MONITORING AND ENFORCEMENT

- As part of our commitment to advancing ESG priorities, we actively collect and monitor anti-corruption data across all BUs. This data is reviewed biannually and presented to the Board through the BRMC, ensuring continuous oversight and alignment with our anti-corruption objectives.
- Our ongoing monitoring guarantees that anti-corruption measures are consistently applied and effective. Data from all BUs is compiled and verified through DWC, SWC, and SSC, undergoing rigorous validation to ensure accuracy and transparency. This diligent approach reinforces our commitment to ethical business conduct and strengthens stakeholder trust and confidence in our governance practices.

Our performance

Whistleblowing Report

3-Years Summary of Cases via Whistleblowing

Details	FY2024	FY2023	FY2022
No. of cases received	**2**	0	0
No. of cases resolved internally after investigation	**2**	0	0
No. of cases not valid after investigation	**0**	0	0
No. of cases pending in 2024	**0**	0	0
No. of cases reported to authorities	**0**	0	0

In 2024, two (2) whistleblowing cases were reported, both of which were classified as disciplinary offences. These cases were thoroughly investigated and successfully resolved. In comparison, there were no reported whistleblowing cases in 2022 and 2023. This reflects our ongoing commitment to transparency and accountability, ensuring that all concerns raised are addressed appropriately in line with our Whistleblowing Policy.

Corruption risk assessment

In FY2024, each BU has continued to integrate anti-corruption and anti-bribery considerations into their comprehensive risk management frameworks. Our Group has conducted a thorough evaluation of operations with respect to corruption-related risks over the past three (3) years. This assessment reflects our ongoing commitment to strengthening our anti-corruption measures and enhancing our risk management strategies.

Details	FY2024	FY2023	FY2022	FY2021
Total number and percentage of operations assessed for risks related corruption	**27 [28%]**	12 [12%]	16 [16%]	16 [16%]
Number of corruption risk assessments/audits conducted	**8 BUs**	9 BUs	7 BUs	5 BUs
Significant risks related to corruption identified through the risk assessment	**13**	10	6	6

Corruption-related training

To ensure all the employees are well aware and have the relevant knowledge on being ethical and act with integrity, knowledge sharing, and other awareness programmes are being given each year. The board ensures that at least 2 levels of employees attend and understand their responsibilities. Below is the comparison data for the last 3 years.

No. and Percentage of employees that have received training on anti-corruption by employees (by employee category)

Category of Employees	FY2024	FY2023	FY2022	FY2021
Senior Management	**8 (1%)**	7 (7%)	0 (0%)	0
Middle Management	**70 (12%)**	30 (29%)	21 (25%)	0
Executive	**320 (54%)**	59 (57%)	62 (75%)	0
Non-executive	**193 (33%)**	7 (7%)	0 (0%)	0

ANTI-CORRUPTION TRAINING (CATEGORY OF EMPLOYEES) 3 YEARS COMPARISON

Corruption incidents

As of FY2024, Protasco Berhad is pleased to report that there have been no political contributions been made by the company. Additionally, there have been no instances of staff being reprimanded or dismissed for non-compliance with the anti-corruption policy, nor have there been any fines, penalties, or settlements related to corruption. This reflects our strong commitment to maintaining the highest standards of integrity and transparency across all our activities. Over the past three (3) years, we have consistently upheld this zero-incident record. Our proactive measures, including rigorous risk assessments, comprehensive training programmes, and robust anti-corruption policies, have been instrumental in preventing any corruption-related issues.

Number of cases recorded for bribery/anti-corruption (by category)

Category of Employees	FY2024	FY2023	FY2022	FY2021
Senior Management	**0**	0	0	0
Middle Management	**0**	0	0	1
Executive	**0**	0	0	0
Non-executive	**0**	0	0	0
Total	**0**	**0**	**0**	**1**

COMPLIANCE

Related UNSDGs:

Why is this important?

The Board reiterates the vital importance of strict adherence to regulatory and stakeholder expectations for the Group and its subsidiaries. Ensuring compliance is crucial to delivering high-quality products and services that meet regulatory standards. Failure to comply with these regulations and policies not only risks damaging our reputation but also threatens the sustainability of our business operations. Upholding these standards remains central to our commitment to ethical conduct and operational excellence.

Our approach

At Protasco Berhad, our commitment to compliance is centred around three (3) core areas: authority compliance, product and service compliance, and value-adding compliance. Each area is integral to maintaining our operational integrity and delivering value to our stakeholders.

AUTHORITY COMPLIANCE

Our approach to authority compliance focuses on ensuring strict adherence to all relevant local and international regulations. We achieve this through proactive engagement with regulatory bodies, regular internal and external audits, and ongoing updates and training on legal requirements. By maintaining these practices, we ensure that all our operations align with legal standards and anticipate regulatory changes effectively.

PRODUCT AND SERVICE COMPLIANCE

Each BUs within the Group is dedicated to providing products and services meet or exceed industry standards. This commitment involves rigorous quality control processes, meticulous documentation, and a focus on customer satisfaction through consistent feedback and continuous improvement. Our approach guarantees that all offerings adhere to regulatory and quality benchmarks, underscoring our dedication to excellence.

VALUE-ADDING COMPLIANCE

We prioritise ethical business practices and stakeholder engagement to enhance our operations and community impact. By incorporating feedback, promoting fair trade, and committing to sustainable development goals, we ensure our practices not only meet regulatory requirements but also add value to our stakeholders and society.

Our performance

COMPLIANCE METRICS AND KPIs

During the reporting period, we conducted ESG compliance audits across various BUs to ensure our practices align with regulatory and industry standards (refer to the Statement of Assurance in this report). This underscores our commitment to maintaining high standards and achieving necessary compliance. Additionally, employees participated in several compliance training sessions, which improved their understanding and adherence to our policies. Detailed information on relevant training can be found under the various materiality sections of this report.

ACHIEVEMENTS AND IMPROVEMENTS

We would like to highlight in this report that our recent compliance audit involved a more comprehensive data-capturing process, enabling better monitoring and continuous improvement in our compliance performance. Notably, we successfully completed the audit in October 2024, reaffirming our commitment to stringent quality and regulatory standards. Additionally, several BUs within the Group have made significant enhancements to their compliance processes, aligning them more effectively with our reporting requirements.

INCIDENTS AND RESOLUTIONS

During the reporting period, the Group recorded FIVE (5) incidents of non-compliance across various business units. These included issues such as late payment penalties on taxes and levies amounting to RM8,555, as well as the use of partial rather than full software licensing penalty of RM 22,492. However, in FY2024, the Group faced a legal summons related to damages incurred by TM Asset Utilities due to an accident involving one (1) of its BUs.

To prevent a recurrence, the Group will enhance its compliance framework through rigorous monitoring, regular audits, and comprehensive training programmes. We remain committed to upholding the highest compliance standards and will continue to proactively identify and mitigate potential risks.

Details	FY2024	FY2023	FY2022
Number of non-compliance in relation to business ethics	**5**	0	0
Total number of nonmonetary sanctions for noncompliance with laws and regulations	**0**	0	0
Total cost (RM) of business/operation fines and penalties during financial years	**41,497**	0	0

In 2022 and 2023, Protasco Berhad recorded zero incidents of non-compliance related to business ethics. This, however, was largely due to the existing practice where only major cases identified at the BU level were reported. Recognising the need for a more structured and transparent compliance framework, the Corporate Office took decisive action in 2024.

Under the IAP 3.0 initiative and the result of an internal audit, SSO introduced a more comprehensive data collection framework. This enhancement improved tracking and reporting accuracy, ensuring that all instances of non-compliance—regardless of severity—were systematically captured and addressed. As a result, FIVE (5) non-compliance were identified and reported, marking a shift towards greater accountability and governance. Although this led the Group to record an amount of RM41,497 in fines and penalties, the initiative represents a critical step forward.

Non-compliance (in relation to business ethics)	Amount (RM)	Mitigation Action
KPHDN-Penalty WHT 10%	3,891	Quarterly monitoring will be undertaken
Late Renewal of Grant	440	
Penalty for underestimate 2023 Tax	4,224	
Damage on external asset during project	10,450	Any work related to excavation and installation coordination meeting will be undertaken.
Software Licence	22,492	Awareness programme among employees, centralisation of software management and reassessing risk ratings
Total (as of FY2024)	**41,497**	

Note: During FY2024, a traffic offence related to speeding was identified during a recent audit, amounting to RM4,680 from 2 vehicles owned by one (1) of the BU. As a Group, we do not condone such violations, and employees are held accountable for their actions. Measures have been taken to reinforce compliance and prevent future occurrences. This was not included in the comparison table.

Looking ahead, we remain committed to refining our compliance framework, reinforcing ethical business practices, and driving transparency across all levels of the organisation.

Regulatory Engagement & Compliance

We have actively engaged with regulatory bodies throughout the year, participating in consultations and incorporating feedback into our compliance practices specially on project and business related matters. This proactive approach has ensured that we remain ahead of regulatory changes and adapt our practices accordingly.

Our Maintenance and Construction teams, responsible for road and property-related projects, strictly adhere to an environmental management approach guided by the ISO 14001 Environmental Management System. This commitment is further strengthened by compliance with the ISO 45001 standard for Occupational Health and Safety. Additionally, we ensure that all projects across the Group comply with relevant national laws and regulations, demonstrating the Board's unwavering commitment to upholding the highest compliance standards.

Stakeholder Feedback

Feedback from stakeholders has been instrumental in shaping our compliance strategies. We have incorporated valuable insights into our practices, through ongoing dialogue with stakeholders specifically regulators to help us align our compliance efforts with their expectations and needs.

Looking ahead, we are committed to elevating our compliance practices by integrating them seamlessly with our strategic and sustainability goals. This includes broadening our training initiatives, fostering a culture of accountability, and maintaining close engagement with regulatory bodies to stay ahead of industry shifts. Upholding the highest standards of compliance remains a cornerstone of our operations, reinforcing our commitment to responsible and sustainable growth.

PROCUREMENT PRACTICES

Related UNSDGs: 8 Decent Work and Economic Growth, 12 Responsible Consumption and Production, 13 Climate Action

Why is this important?

As a diversified enterprise engaged in every aspect of the construction and infrastructure value chain, Protasco plays a pivotal role in strengthening the local marketplace through our procurement practices. Our commitment to responsible procurement supports local industries, fosters the transfer of local knowledge, and contributes to the prosperity of the communities we serve.

We build and maintain trust with our external providers. This trust enables us to source competitively priced products and services that meet our specific needs while ensuring that our procurement activities align with our values and objectives. Our approach not only supports local economic development but also enhances our operational efficiency and effectiveness.

Our approach

The Group adopts various approaches in implementing fair and equitable procurement practices.

Responsible Sourcing

Although we have not yet established specific criteria for selecting suppliers based on environmental and social standards, we are actively monitoring the ESG practices of our local and small business contractors and suppliers. Our current focus is on tracking their ESG performance and gathering detailed information. As we develop our criteria for responsible sourcing, we are committed to providing support and assistance to these businesses to help them achieve and maintain ESG compliance. This proactive approach ensures that our supply chain not only meets our future standards but also fosters broader ESG adherence within our local business community.

Support for Local Industries

Our procurement strategy supports local economies not only by prioritising local suppliers, but also sub-contractors. This approach helps strengthen the local marketplace and fosters community development, contributing to the growth and resilience of local businesses.

Fair and Equitable Practices

We prioritise fairness and transparency in our procurement processes by implementing competitive bidding, clear selection criteria, and stringent anti-corruption measures. These practices are governed by our DAL and ISO 9001, particularly in Maintenance and Property Development & Construction projects. Other BUs also adopt these practices for office-related supplies, ensuring integrity and fostering trust with our external providers.

Supplier Engagement and Management

We actively engage with suppliers to ensure they meet our compliance and quality standards through regular performance evaluations, feedback mechanisms, and collaborative initiatives to strengthen their capabilities. Recently, we introduced the ESG Survey and Performance assessment to align with the Group's strategic direction, further reinforcing our commitment to responsible sourcing.

Knowledge Transfer

We aim to facilitate knowledge and skill transfer through training programmes and collaborative projects with our local suppliers and sub-contractors.

However, in FY2024, this initiative did not materialise, as more than 50% of suppliers and sub-contractors had yet to submit their ESG background information based on the survey. In FY2025, we will adopt a more rigorous approach to enhance supplier engagement, build capacity, and drive mutual growth.

Compliance and Ethical Standards

We align our procurement practices with regulatory requirements and ethical standards. Our suppliers must adhere to our code of conduct, ensuring operations reflect our commitment to integrity and compliance.

In project-specific procurement, we conduct a detailed examination of safety track records to ensure

adherence to the OSHA and the DOE regulations. This scrutiny is particularly emphasised in the areas of construction handled by Maintenance and Property Development & Construction BUs.

Both the Maintenance and Property Development & Construction BUs uphold stringent procurement standards by adhering to the ISO 9001:2015 Quality Management System for road construction, maintenance, and building and infrastructure materials. Maintenance contractors must source responsibly from entities approved by the Construction Industry Development Board (CIDB), the Standard and Industrial Research Institute of Malaysia (SIRIM), or IKRAM Quality Assurance's approved material list. Similarly, the Property Development & Construction BU ensures that all sourcing aligns with contract specifications, with certain materials requiring industry standard. Both these BUs being project-focused, commitment to quality assurance reinforces the Group's dedication to sustainable and responsible procurement practices.

Monitoring and Reporting

We monitor and report half yearly on the effectiveness of our procurement practices through performance metrics, audits, and regular assessments. This transparency allows us to track progress and implement necessary improvements.

Our performance

In the reporting period, our procurement practices have effectively supported our strategic objectives while enhancing local economic growth and sustainability. We have made significant strides in implementing and refining our procurement process through the ISO9001, reflecting our commitment to responsible and ethical sourcing.

Metrics and KPIs

(i) Local Supplier Spending
We have achieved 97.62 % of total supplier spending with local suppliers, surpassing our target of 70%. This reflects our dedication to supporting local businesses and stimulating the local economy.

(ii) ESG Performance Evaluation
We manage to evaluate less than 50% of our current suppliers' ESG performance. This is below our set target. This outcome has alarmed the Group to take more pro-active action on our approach to ensure that all our suppliers and contractors align with our environmental and social standards.

(iii) ESG Adoption Rate
As of FY2024, the Group is unable to provide the rate of ESG adoption. All plans and initiatives will be monitored throughout the Group.

4-Years Comparison Data for Procurement Practices

Details	FY2024	FY2023	FY2022	FY2021
Local Procurement Actual (RM)	**277,059,071**	298,483,994	259,381,475	4,942,232
Foreign Procurement Actual (RM)	**6,762,126**	3,002,531	818,349	3,020
Total Procurement Actual (RM)	**283,821,197**	301,486,526	263,199,824	4,945,252
Percentage of Local Procurement Actual	**97.62%**	99.56%	98.55%	99.93%
Number of Local Suppliers	**472**	452	428	128
Number of Foreign Suppliers	**9**	15	14	1
Total Number of Suppliers	**481**	467	442	129
Percentage of Local Suppliers	**98%**	97%	97%	99%
Number of suppliers screened / audited for good ESG performance	**28**	14	N/A	N/A
Number of suppliers removed from procurement list or cautioned for poor ESG performance	**N/A**	N/A	N/A	N/A
Number of suppliers endorsed anti-bribery anti-corruption policies	**N/A**	N/A	N/A	N/A

ESG Tracking and Support

As of FY2024, progress in monitoring the ESG practices of our contractors and suppliers has been limited, primarily due to low response rates from the ESG Survey. Recognising this gap, we will take more proactive measures in 2025 to drive meaningful engagement. Our initial plan in FY2024 was to assess suppliers' ESG practices and provide targeted support and guidance to help them enhance their compliance. Moving forward, we remain committed to strengthening our supply chain's sustainability through a more structured and hands-on approach.

Incident Reporting and Resolutions

There were no significant incidents related to procurement practices during this period. Our proactive monitoring and adherence to established standards and regulators requirements have ensured smooth operations and prevented any major issues.

Training and Capacity Building

We have not yet conducted training or capacity-building initiatives this year. However, we have developed a Code of Conduct for suppliers and contractors, which will be communicated to all stakeholders in stages. This Code of Conduct is designed to guide suppliers in meeting our ethical and compliance standards and will form a key part of our future training efforts.

Regulatory Compliance

As FY2024, our procurement activities especially from 2 BUs (Property Development & Construction and Maintenance) have continued to comply with all relevant regulations, including the OSHA and DOE standards. Regular audits and reviews have confirmed our adherence to these legal and industry requirements.

Advancing, we will implement stricter measures to enhance supplier participation and accountability by mandating the incorporation of ESG criteria into the supplier selection and payment process, which has so far been adopted by selected BUs. At the same time, we will continue supporting local businesses in achieving compliance. Additionally, annual audits will be conducted to strengthen oversight, drive continuous improvement, and enhance the overall sustainability of our supply chain.

COMMUNITY DEVELOPMENT

Related UNSDGs:

Why is this important?

At Protasco, our commitment to social responsibility drives us to actively invest in the growth and well-being of sustainable and inclusive communities. Our community investment efforts are an integral part of our corporate ethos, reflecting our dedication to creating lasting, positive impact in the areas where we operate.

from left to right

The annual breaking of fast event was held on 27 March 2024, is a joint programme between Masjid IKRAM and Protasco Group of Companies.

Iftar Perdana is an annual event open to all staff and students of IUKL, welcoming them to gather and enjoy a meal together.

Our approach

Our approach to community investment is centred around enhancing the quality of life for the communities we serve. By engaging in a variety of projects and initiatives, we aim to support and uplift underserved groups, including B40 families, and provide meaningful opportunities for improvement and development.

Key to our efforts is our active involvement in community development and employee volunteerism. Through these initiatives, we strive to deliver tangible benefits that align with our mission of promoting enduring and sustainable progress in society. This includes:

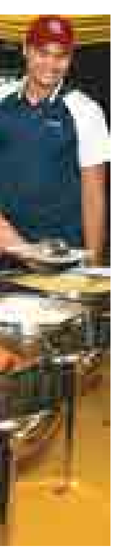
Supporting Community Projects and Initiatives

Through sustainability and environmental initiatives, we strive to protect and restore natural ecosystems while fostering awareness and responsible practices among communities. Meanwhile, supporting health and well-being programmes reinforce our belief that thriving communities start with empowered individuals.

Supporting Underserved Communities

We participate in and sponsor projects designed to assist B40 families, helping to improve their living conditions and future prospects. Our initiatives include providing essential resources, infrastructure improvements, and targeted support to those in need.

Educational Contributions



Leveraging our expertise and resources through our Education division, we provide quality education and training opportunities. This supports our goal of empowering individuals and fostering long-term community development.

Employee Engagement

Our employees are encouraged to contribute to community service through volunteer programmes, which not only support local initiatives but also foster a culture of social responsibility within our organisation.

By prioritising these areas, the Group not only fulfils its corporate social responsibility but also aligns its business practices with the broader goal of creating sustainable, inclusive communities. Through continued investment and engagement, we are committed to driving positive change and making a meaningful impact on society.

Our performance

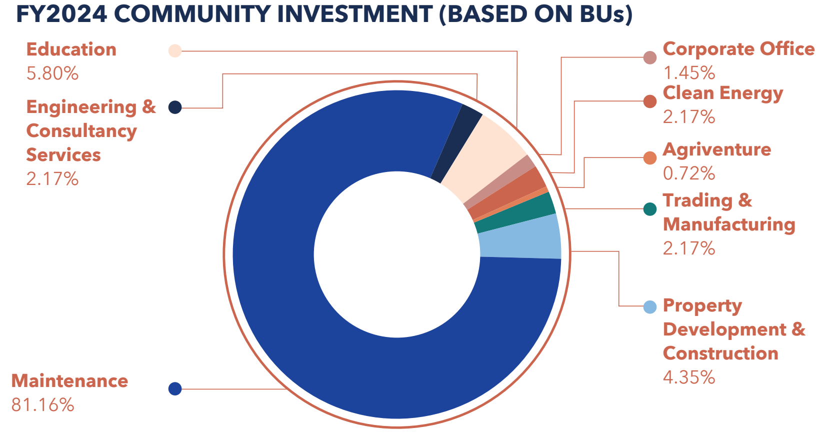
During the reporting period, the Group remained committed to fostering sustainable and inclusive communities. All BUs are encouraged to support community development, despite financial constraints, through targeted initiatives. Our efforts focus on improving community well-being, supporting those in need, and fostering employee engagement. Moving forward, we will strengthen collaboration with local organisations to maximise impact. By integrating sustainability and education, we aim to drive meaningful, long-term improvements.

Community Investment Metrics and KPIs

As of FY2024, the Group achieved a total community investment of RM2,006,061, surpassing our target of RM200,000. This reflects our strong commitment to supporting community development. All BUs despite financial challenges are encouraged to contribute through targeted initiatives, employee engagement, and strategic collaborations.

Moving forward, we aim to enhance our impact by strengthening partnerships and integrating sustainability into our community programmes.

FY2024 COMMUNITY INVESTMENT (BASED ON BUs)



Support for Underserved Communities

Our initiatives extended beyond assisting B40 families to supporting communities in need. Through various programmes, we have made a meaningful impact by providing aid in education, sports, schools near our project sites, flood relief, and community infrastructure development in collaboration with external partners. Notably, Roadcare (M) Sdn Bhd, a division under Maintenance, contributed RM1,000,000 in response to the national call for flood relief efforts in East Malaysia. Additionally, all divisions within the Group have played a vital role in supporting underprivileged communities, reflecting our commitment to social responsibility.

Educational Contributions

Through our Education BU, the Group awarded 18 types of scholarships to both local and international candidates, benefiting 570 recipients with a total contribution of RM2,508,637. These scholarships support children from B40 families, war-torn countries, and those excelling in sports and academics, reflecting our commitment to providing quality education for a better future. Additionally, all other BUs played a role in supporting schools through various initiatives, ensuring that all students, particularly those from B40 families, have access to quality education, nutritious meals, and improved school facilities.

Employee Volunteerism

Our employees dedicated 292 volunteer hours to 127 community service projects throughout FY2024, demonstrating our strong commitment to social responsibility and active community engagement.

Performance based on UN-SDG

1 No Poverty	2 Zero Hunger	3 Good Health and Well-Being	4 Quality Education
No. of projects: **5** Amount Spent: **RM72,000**	No. of projects: **19** Amount Spent: **RM259,703**	No. of projects: **39** Amount Spent: **RM217,000**	No. of projects: **16** Amount Spent: **RM103,500**
5 Gender Equality	9 Industry, Innovation and Infrastructure	10 Reduced Inequalities	11 Sustainable Cities and Communities
No. of projects: **2** Amount Spent: **:** **RM3,000**	No. of projects: **7** Amount Spent: **RM51,319**	No. of projects: **1** Amount Spent: **RM5,000**	No. of projects: **28** Amount Spent: **RM1,234,985**
14 Life Below Water	15 Life on Land	16 Peace, Justice and Strong Institutions	17 Partnerships for the Goals
No. of projects: **4** Amount Spent: **:** **RM34,125**	No. of projects: **3** Amount Spent: **RM9,270**	No. of projects: **1** Amount Spent: **RM2,000**	No. of projects: **1** Amount Spent: **RM20,000**

2-years comparison on the Group's Community Development

Details	FY2024	FY2023	FY2022
Total amount invested where the target beneficiaries are external to the Group (RM)	**2,119,060**	425,056	1,240,915
Total amount of direct cost invested (RM)	**2,006,061**	425,056	1,240,915
Total amount of indirect cost invested (RM)	**112,999**	N/A	N/A
Total number of beneficiaries of the investment in communities	**6**	6	N/A
Total number of programmes undertaken throughout the Group	**126**	102	46
Number of employee participated in community impact programmes	**726**	391	N/A
Total hours spent on community impact programmes	**292**	233	N/A

Note: The number of beneficiaries for FY2023 has been revised from 44 to 6 following a reclassification of beneficiary categories. This adjustment has been made in the table for clearer comparison. Additionally, the number of programmes for FY2023 has now been included, as the row was previously unavailable.

Social Impact Assessment (SIA)

During the reporting period, none of our projects requires an SIA. However, for Tampin Phase 2, an SIA was conducted and submitted in 2023 before the project commenced on-site. While our current projects do not necessitate this assessment, we remain committed to monitoring the social impacts of our activities and will conduct SIAs as required in future projects to ensure responsible operations in line with best practices.

Free, Prior, and Informed Consent (FPIC)

During this reporting period, all projects undertaken by the Group, especially those related to construction and maintenance, did not require the application of FPIC. This is because none of the projects impacted indigenous or local communities, nor did they take place on lands traditionally owned or used by these groups.

DIVERSITY

Related UNSDGs: 5 GENDER EQUALITY, 8 DECENT WORK AND ECONOMIC GROWTH, 10 REDUCED INEQUALITIES

Why is this important?

At Protasco, we view that embracing a diverse workforce enriches our company by incorporating a wide range of perspectives, experiences, and ideas, which fuels creativity and enhances problem-solving capabilities. In today's complex and rapidly evolving business environment, leveraging the varied insights of a multi-ethnic and multi-cultural team is crucial for developing innovative solutions and strategies. By fostering an inclusive workplace, we not only reflect the diverse communities we serve but also position ourselves to thrive in a global market, adapting effectively to challenges and seizing new opportunities.

Our approach

At Protasco, we are committed to cultivating a diverse and inclusive workplace where every employee can thrive. Our approach to diversity is multifaceted and focuses on several key areas.

Commitment towards Diversity

In addition to our Human Rights Policy, we have also implemented a robust Non-Discrimination Policy. This policy underscores our zero-tolerance stance against any form of discrimination in the workplace. The Non-Discrimination Policy ensures that all employees, regardless of race, gender, religion, or other socio-demographic factors, are treated equitably and with respect.

We have established clear and actionable goals to enhance gender and cultural diversity across the Group. As part of our effort, we have set an initial target of 5% female representation in managerial positions. While this target represents an early milestone, we are committed to continually raising the bar as we advance.

Protasco Berhad's core business is rooted in the construction industry, a field traditionally dominated by men. However, we are dedicated to fostering greater gender diversity by creating opportunities for more women to step into managerial roles. Our commitment to fair gender representation extends to the highest levels of leadership, including the Board and Senior Management. Guided by relevant authorities' directives, our Diversity Policy reinforces this commitment, striving for a balanced and inclusive leadership structure. By upholding these principles, we continue to build a workplace that embraces diversity and empowers talent across all levels of our organisation.

Recruitment and Hiring Practices

Our recruitment strategies are dedicated to attracting a diverse talent pool and ensuring equal opportunities for all candidates. We employ unbiased hiring practices and focus on providing a level playing field by not specifying race or gender in our recruitment process. While we currently do not partner with external organisations to support underrepresented groups, we are committed to fair and equitable hiring practices. Specific requirements may be considered only when necessary for particular roles, but our overarching goal is to maintain a fair and inclusive approach throughout our recruitment and hiring procedures.

Supportive Policies and Practices

Our policies and practices are designed to create an inclusive workplace, offering flexible work arrangements and strong compliance with Malaysian labour laws.

Measuring and Monitoring Progress

To ensure the effectiveness of our diversity and inclusion initiatives, we employ a structured approach to measuring and monitoring our progress. We systematically track key diversity metrics, including demographic data on employee representation and hiring and promotion rates.

The 2024 World Mental Health Day on 10 October that was held in Protasco Berhad saw participation from a diverse group of employees.

Our performance evaluation process is strictly merit-based, focusing solely on employees' performance, skills, capabilities, and qualifications. We ensure that criteria such as ethnicity, gender, marital status, and other socio-demographic variables are excluded from performance assessments and promotion decisions. This commitment to meritocracy guarantees that all employees are evaluated fairly and equitably.

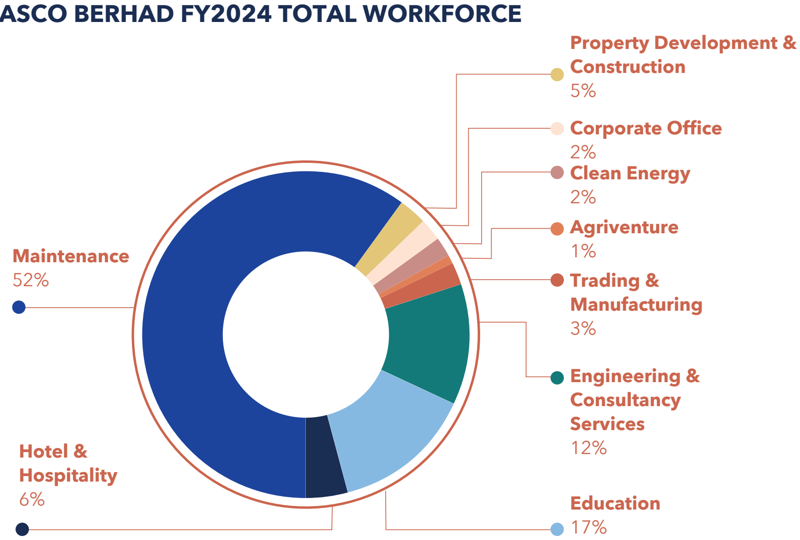
By leveraging the insights gained from our diversity metrics and employee feedback through engagements, we continuously refine and enhance our diversity and inclusion efforts, striving for ongoing improvement and greater inclusivity within our organisation.

In addition to promoting gender diversity, Protasco ensures that all programmes conducted by the Group and its subsidiaries are inclusive, accommodating individuals from diverse gender, ethnicities and age groups.

Our approach

Workforce within the Business Units

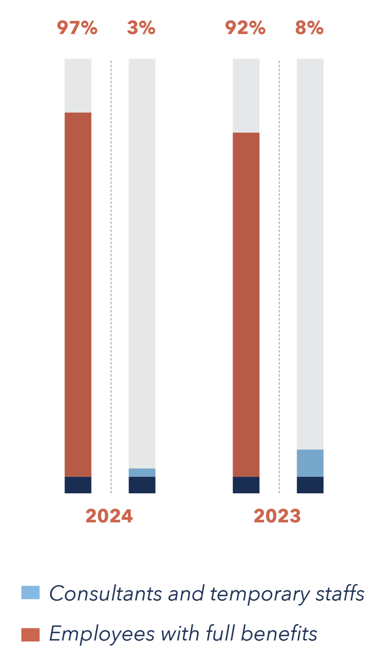
PROTASCO BERHAD FY2024 TOTAL WORKFORCE



The Group's workforce composition is primarily concentrated in Maintenance (52%) due to the labour-intensive nature of infrastructure upkeep, requiring a substantial workforce for road maintenance and related operations. Education (17%) follows as a key sector, reflecting our commitment to academic excellence and skill development, necessitating a dedicated pool of educators and administrative staff. Engineering & Consultancy Services (13%) represents a vital segment that supports our core businesses by providing technical expertise, project management, and regulatory compliance, ensuring the successful execution of projects across various industries.

FY2024 Workforce by Employment Type

WORKFORCE BY EMPLOYMENT TYPE [2023 - 2024 COMPARISON]



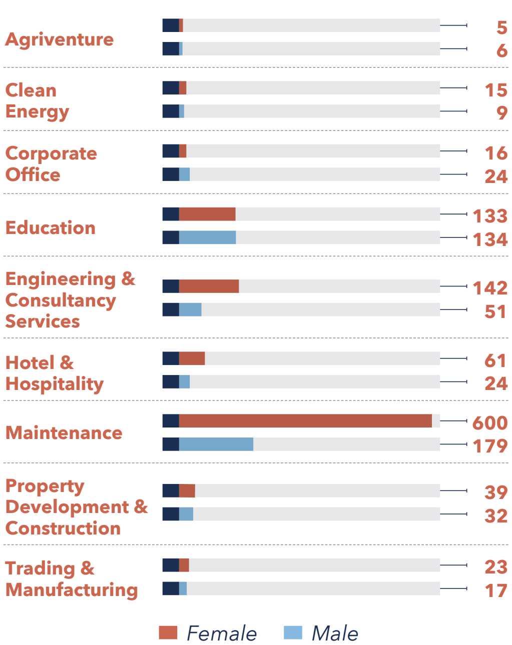
Note: The Group categorises its workforce into two (2) group - employees receiving full benefits and those receiving partial or no benefits. Contract staff are classified as permanent employees since they receive all benefits given under the Group.

The data indicates a positive shift towards a more stable and secure workforce in FY2024. The proportion of employees with full benefits increased from 92% in FY2023 to 97% in FY2024, demonstrating the Group's commitment to providing stable employment with comprehensive benefits. Conversely, reliance on temporary contractors/consultants and temporary staff has significantly decreased from 8% in FY2023 to just 3% in FY2024. This shift suggests a strategic move towards long-term workforce sustainability, employee welfare, and enhanced job security, aligning with efforts to strengthen employee retention and organisational stability.

FY2024 Workforce Diversity

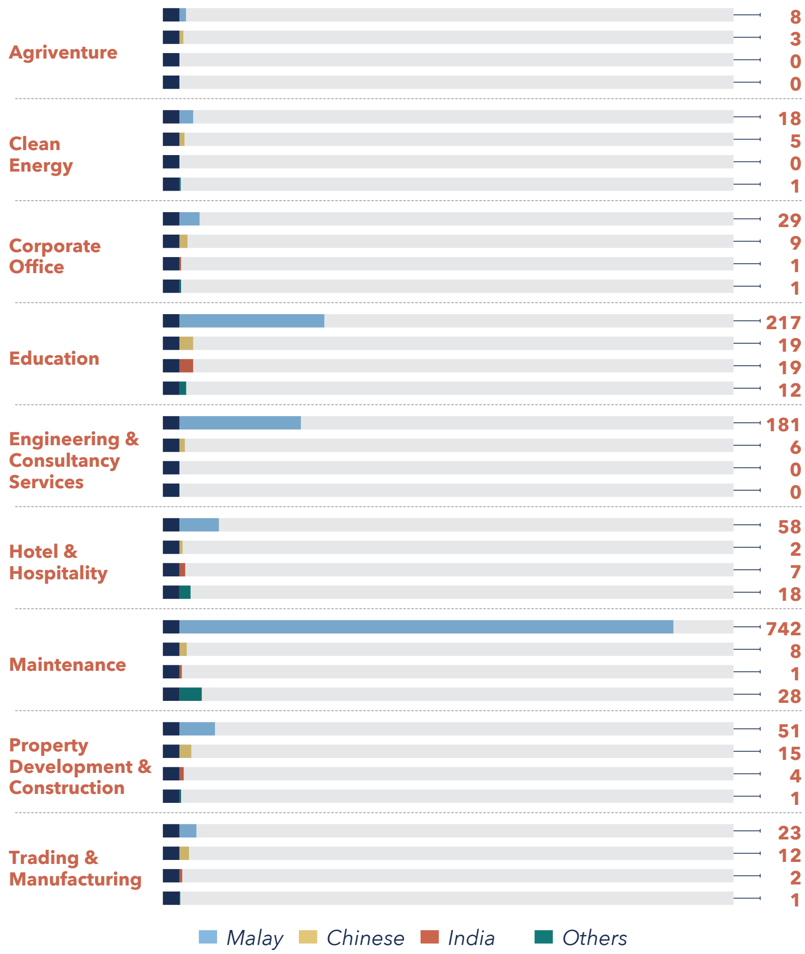
The Group records a total workforce (inclusive of temporary staffs) of 1029 (69%) of male and 473 (31%) female employees. The major female staffs are from Maintenance (106 staffs) and Education (132 staffs).

PROTASCO BERHAD FY2024 WORKFORCE BASED ON GENDER



We prioritise providing employment opportunities to the local workforce. As of FY2024, Malaysians comprise approximately 98% of our workforce, while foreign employees account for 2%, primarily in the Education and Hotel & Hospitality sectors. Malays form the majority at 89%, followed by Chinese (5%), Indians (2%), and Others (3%).

FY2024 ETHNICITY COMPOSITION [OVERVIEW BASED ON BUSINESS UNITS]



In terms of employment levels, Senior Management constitutes 5%, Middle Management 18%, while Executives and Non-Executives make up 41% and 37%, respectively, of the Group's workforce.

An introduction to Tai Chi was organised for 2024 World Mental Health Day at Protasco Berhad.

Woman participation in FY2024

The Group remains committed to fostering diversity at the highest levels of leadership, including gender and ethnic representation in managerial positions and on the Board of Protasco Berhad.

(i) Management Position

Details	FY2024	FY2023	FY2022	FY2021	FY2020
Number of female managerial staff	**104**	70	70	72	74
Number of male managerial staff	**196**	132	129	134	137
Total staff at the managerial level	**300**	202	199	206	211
Percentage of female managerial staff	**35%**	35%	35%	35%	35%
Percentage of male managerial staff	**65%**	65%	65%	65%	65%

In FY2024, 35% of managerial positions were held by women within the Group, consistent with the trend observed since FY2020. The number of female managerial staff has increased to 104 in FY2024, compared to 70 in FY2023, reflecting efforts to provide more opportunities for women in leadership.

Despite the industry's traditionally male-dominated landscape, the Group continues to promote fair representation and career advancement for women in managerial roles, reinforcing our commitment to diversity and equal opportunity.

(ii) Board Representation
5-Years comparison of the Board Gender Representation

	FY2020		FY2021		FY2022		FY2023		FY2024	
Category Breakdown	Nos	%	Nos	%	Nos	%	Nos	%	Nos	%
By Gender										
Male	6	75%	6	75%	5	71%	5	71%	**5**	**71%**
Female	2	25%	2	25%	2	29%	2	29%	**2**	**29%**
Total	8	100%	8	100%	7	100%	7	100%	**7**	**100%**
By Ethnicity										
Malay	2	25%	2	25%	2	29%	2	29%	**2**	**29%**
Chinese	6	75%	6	75%	5	71%	5	71%	**5**	**71%**
Indian	0	0%	0	0%	0	0%	0	0%	**0**	**0%**
Others	0	0%	0	0%	0	0%	0	0%	**0**	**0%**
Total	8	100%	8	100%	7	100%	7	100%	**7**	**100%**
By Nationality										
Malaysian	8	100%	8	100%	7	100%	7	100%	**7**	**100%**
International	0	0%	0	0%	0	0	0	0	**0**	**0**
Total	8	100%	8	100%	7	100%	7	100%	**7**	**100%**

Female participation on the Board has remained at 29% since FY2022, maintaining a consistent level of gender diversity, while male representation stands at 71%, reflecting the organisation's structure and leadership needs. In terms of ethnicity, the Board is primarily composed of Chinese (71%) and Malay (29%) representatives, with no representation from other ethnic groups, a composition that has remained unchanged in recent years. Additionally, the Board is entirely Malaysian (100%), ensuring that leadership decisions are guided by individuals with deep local expertise and understanding.

The table below presents a comparison of gender pay. Data for FY2022 were not available; however, reporting began in FY2023 and will continue to ensure ongoing transparency and accountability.

3 Years comparison for gender pay			
Gender Pay Ratio (%)	**FY2024**	**FY2023**	**FY2022**
Total Hourly Pay (Male)	**RM106,829**	RM22,563	N/A
Total Hourly Pay (Female)	**RM36,378**	RM16,236	N/A
Average Hourly Pay (Male)	**RM953**	RM256	N/A
Average Hourly Pay (Female)	**RM778**	RM199	N/A
Pay Difference (Male)	**-175**	-56	N/A
Pay Difference (Female)	**175**	56	N/A
Gender Pay Gap	**18%**	22%	N/A

Note:
1. *Amendments have been made for FY2023, and the data in this report reflects the updated figures based on the latest revisions.*
2. *Data for FY2022 were not available as gender pay reporting commenced in FY2023.*

As for the gender pay gap, the Group remains committed to ensuring fair and equitable compensation across all employee levels. In FY2024, the average hourly pay for male employees was RM953, while female employees earned RM778, resulting in a gender pay gap of 18%, an improvement from 22% in FY2023.

The total hourly pay for both male and female employees has increased significantly in FY2024 compared to FY2023, reflecting overall salary growth. The narrowing pay gap indicates progress toward more balanced compensation.

However, we continue to monitor and assess gender pay differences to ensure fair remuneration practices.

OCCUPATIONAL SAFETY & HEALTH

Related UNSDGs:

3 GOOD HEALTH AND WELL-BEING | 4 QUALITY EDUCATION | 8 DECENT WORK AND ECONOMIC GROWTH

Why is this important?

Occupational Safety and Health (OSH) is a non-negotiable priority at Protasco, given the inherent risks associated with our construction and infrastructure activities. In FY2024, we continue to emphasise the critical role that robust OSH practices play in safeguarding not only our workforce but also the communities we serve. The potential repercussions of an OSH incident extend far beyond immediate project delays; they can significantly disrupt our operations, jeopardise project timelines, and impact revenue streams.

Moreover, any breach in safety protocols could tarnish Protasco's hard-earned reputation, complicating our ability to secure future projects, maintain investor confidence, and meet stringent regulatory requirements. As a responsible corporate entity, we recognise the profound impact that safety performance has on our long-term sustainability. Therefore, we are committed to not only preventing accidents but also fostering a culture of safety that permeates every level of our organisation.

Beyond the construction sites, maintaining a safe and healthy work environment across all our operations is essential for ensuring operational continuity and controlling costs. By prioritising OSH, we are investing in the well-being of our employees and the resilience of our business, ensuring that we can continue to deliver high-quality projects and services without compromise.

Protasco sent almost 40 staff to assist with beach cleaning at Pantai Bagan Lalang in Sepang, Selangor on 19 September 2024.

Our approach

At Protasco, Occupational Safety and Health (OSH) is not just a priority–it's a fundamental pillar of our operations, deeply embedded in our company culture. As a Group classified under the construction sector, we recognise the inherent risks in our activities and are committed to implementing robust Health, Safety, and Environment (HSE) practices across all BUs, including Maintenance, and Property & Construction.

Occupational Health and Safety (OSH) Policy Implementation

Our OSH Policy, which applies to all employees and third-party workers on-site, is meticulously aligned with the Department of Occupational Safety and Health Malaysia (DOSH) and the Environmental Quality Act of 1974 (EQA). This ensures that every project we undertake is executed with the highest standards of safety, from providing essential training and protective equipment to implementing comprehensive safeguards tailored to each worksite.

Each BU has dedicated HSE committees that convene quarterly to assess the implementation of safety practices and recommend necessary improvements. The leadership within every BU underscores the importance of HSE, with all matters reported to key executives, ensuring that safety remains a top priority at the highest levels of the organisation.

Hazard Identification, Risk Assessment, and Risk Control (HIRARC)

In our Maintenance and Construction units, safety begins with thorough preparation. The Traffic and Safety department conducts detailed HIRARC analysis for each scope of work and site. These assessments guide the development of customised project safety plans, ensuring that all potential risks are identified and mitigated before work commences.

These safety practices are not limited to protecting employees but also extend to the public and environment, adhering to relevant DOE guidelines.

Compliance and Certification

Our construction team achieved ISO 45001 certification in 2019, demonstrating our commitment to maintaining the highest standards of occupational safety and health. Since obtaining this certification, we have consistently upheld and maintained its rigorous requirements, ensuring that our OSH practices continue to meet global standards. This certification underscores our dedication to providing a safe working environment for all employees and stakeholders involved in our construction projects.

The Board of Directors oversees compliance with these standards through Key Performance Indicators (KPIs), ensuring that safety remains a critical focus in our operations.

Training and Capacity Building

Comprehensive training is provided to our employees, focusing on safe work execution, use of protective equipment, and adherence to safety protocols. Quarterly audits and evaluations are conducted across all BUs to ensure compliance with the OSH Policy and to reinforce a culture of safety.

Continuous Improvement and Monitoring

Our HSE practices are continuously reviewed and improved, with HSE committees within every BU convening quarterly to assess the effectiveness of our safety protocols.

By prioritising OSH through these approaches, the Group not only safeguards its employees and ensures project continuity, but also reinforces its dedication to the broader community and environment, upholding the highest standards of safety in every aspect of its work.

Our performance

Health and safety trainings

In 2023, a total of 225 participants received various training sessions on health and safety standards. The table below presents a three-year comparison of the training provided.

	FY2024		FY2023		FY2022	
No. of Training	**Employees**	**Contractors**	**Employees**	**Contractors**	**Employees**	**Contractors**
Trained on health and safety standards	**699**	**498**	838	N/A	N/A	N/A
No. of training and awareness on safety & health	**374**	**100**	39	N/A	35	N/A

Note:
(1) Data for FY2022 were unavailable as OSH training reporting commenced in FY2023. However, all business units conducted training and awareness programmes in compliance with DOSH requirements and as part of risk mitigation efforts.
(2) The FY2023 data for employees includes both employees and contractors, with the figures reflecting a combined total.

Work-related injuries & Lost Time Incident Rate

In FY2024, we recorded one (1) work-related fatality in Bentong, Pahang within our Maintenance BU. Following the incident, a thorough investigation was conducted in October 2024. The cause was identified as human error, equipment failure, or procedural non-compliance during the maintenance of the machine. Immediate corrective measures were undertaken, including stop work and change of equipment.

As a preventive measure, the respective BU will enhance safety protocols, and provide additional training, to be implemented. Our deepest condolences go out to the family of the affected worker. The BU supported the affected worker's family through compensation, counselling and by assisting in the application for insurance, SOCSO, and CIDB.

3-Years OSH Performance

	FY2024		FY2023		FY2022	
No. of Training	**Employees**	**Contractors**	**Employees**	**Contractors**	**Employees**	**Contractors**
Total Hours Worked	**2,059,632**	**6,789,412**	1,401,944	6,961,624	9,499,524	N/A
Number of work-related fatalities	**1**	**0**	0	0	0	0
Lost Time Workday Rate (LTWR)	**2,918.48**	**0**	N/A	N/A	N/A	N/A
Lost time incident rate (LTIR)	**0.97**	**0**	N/A	N/A	N/A	N/A

In FY2024, Protasco Berhad recorded a Lost Time Workday Rate (LTWR) of 2,918.48 for employees, primarily due to a single fatality, which accounted for 6,000 lost workdays as per DOSH Malaysia's reporting framework. Excluding this incident, the adjusted LTWR would be significantly lower, reflecting a relatively low occurrence of lost time due to non-fatal workplace injuries. Additionally, the Lost Time Incident Rate (LTIR) stood at 0.97, indicating that the number of reported lost time incidents remained low. No work-related fatalities or lost time incidents were recorded among contractors in FY2024.

Compared to previous years, LTWR and LTIR data for employees and contractors were not available for FY2023 and FY2022, making it difficult to establish a year-on-year trend. However, this year's data provides a baseline for enhanced workplace safety monitoring and future benchmarking. Moving forward, Protasco Berhad will continue to prioritise preventive measures, safety training, and compliance with ISO 45001 and DOSH Malaysia's regulations to reduce workplace risks and ensure a safer working environment for all employees and contractors.

Moving forward, the Group remains steadfast in its commitment to achieving a zero-fatality target and strengthening workplace safety measures to protect all employees and stakeholders.

CUSTOMER SATISFACTION

Related UNSDGs: 8 DECENT WORK AND ECONOMIC GROWTH, 9 INDUSTRY, INNOVATION AND INFRASTRUCTURE

Why is this important?

At Protasco, customer satisfaction is the cornerstone of our business growth. Our diverse operations, which include agriventure, construction, property development, maintenance, education, clean energy, engineering consultancy services, trading, and manufacturing, are driven by a commitment to delivering exceptional value. The trust and confidence our customers place in us are essential to our continued growth and reputation. By leveraging our integrated ecosystem of services, we enhance the quality, safety, and sustainability of our offerings. Our ability to share expertise and insights across these sectors enables us to deliver superior products and services that meet and exceed customer expectations. Maintaining high levels of customer satisfaction not only strengthens our relationships but also drives innovation and excellence across all areas of our business.

Our approach

At Protasco, customer satisfaction is a cornerstone of our operational excellence and strategic vision. We are committed to delivering superior products and services that not only meet but exceed the expectations of our customers. Our approach to ensuring high levels of customer satisfaction involves several key strategies:

01/ Quality Assurance and Continuous Improvement

We adhere to rigorous quality assurance processes across all our BUs and their operations. Our commitment to continuous improvement involves regular reviews of our Quality Management System (QMS), adherence to industry standards, and incorporation of feedback from customers to enhance our offerings. The list of companies adopting QMS to provide quality through continuous improvement is shown on the right.

Through our QMS, we strive to enhance every aspect of our processes to ensure the delivery of safe, reliable, and high-quality products and services to our customers.

Business Units	Quality Management System	Companies
Education	ISO9001	Ikram Education Sdn Bhd
Engineering & Consultancy Services	ISO9001	Ikram Engineering Services Sdn Bhd Ikram Paves Sdn Bhd
	ISO 17025	Ikram Paves Sdn Bhd Ikram QA Services Sdn Bhd
	ISO 17065	Ikram QA Services Sdn Bhd
	CIDB G3/SPKK	Ikram Engineering Services Sdn Bhd
	CIDB G7	Kumpulan Ikram Sdn Bhd
	BEM	Ikram Premier Consulting Sdn Bhd Ikram Engineering Consulting Sdn Bhd
Maintenance	ISO9001	Empayar Indera Sdn Bhd Roadcare (M) Sdn Bhd
	45001	Roadcare (M) Sdn Bhd
Construction	ISO9001	HCM Engineering Sdn Bhd
	ISO 14001	
	ISO 45001	
Trading & Manufacturing	ISO9001	Protasco Trading Sdn Bhd

02/ Customer Feedback and Engagement

We actively solicit and listen to customer feedback through various channels, including surveys, direct communications, and performance reviews. This feedback is systematically analysed to identify areas for improvement and to make data-driven decisions that enhance our service delivery and product offerings.

03/ Compliance with Regulations and Standards

We ensure that all products and services comply with relevant regulations and industry standards. By adhering to guidelines set forth by regulatory bodies, we ensure that our customers receive accurate information and high-quality products. Our compliance efforts include thorough checks and adherence to GRI Standards on product and service information and labeling (GRI 417).

04/ Training and Development

Our employees receive ongoing training to stay updated on industry best practices, customer service skills, and regulatory requirements. This training empowers our team to provide exceptional service and to handle customer inquiries and issues efficiently and effectively.

05/ Proactive Issue Resolution

We maintain a proactive approach to addressing customer issues and concerns. Our dedicated customer service teams from respective BUs are trained to resolve complaints swiftly and to implement corrective actions to prevent recurrence. We prioritise transparent communication and timely resolutions to maintain customer trust and satisfaction. We ensure that all customer responses are attended to within 24 – 48 hours and are resolved based on a case to case basis.

06/ Regular Performance Monitoring

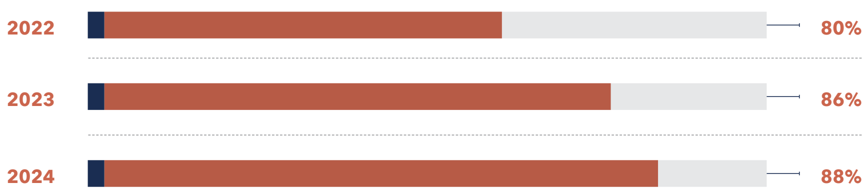
We track and monitor key performance indicators related to customer satisfaction, including response times, resolution rates, and customer satisfaction scores. This monitoring helps us to continuously evaluate our performance and to make necessary adjustments to our strategies and processes.

By integrating these practices into our operations, the Group ensures that customer satisfaction remains a central focus of our business strategy, driving our commitment to excellence and fostering long-term relationships with our clients.

A demonstration on flood mitigation system was organised for the Public Works Department on 6 June 2024 in Putrajaya.

Our performance

CUSTOMER SATISFACTION AVERAGE SCORE



In FY2024, our commitment to product and service excellence is reflected in our Customer Satisfaction Average Score, which reached 88%, marking a steady increase from 86% in FY2023 and 80% in FY2022. This continuous improvement underscores our dedication to meeting and exceeding customer expectations through quality, reliability, and service excellence which aligns to the Group's vision to delivering value for a better quality of life.

Customer Grievances

Product & Service Responsibility	FY2024	FY2023	FY2022
No. of product/service-related complaints received	**5,240**	7,457	N/A
No. of complaints that has been dealt (Customer relationship management (grievance mechanism)	**5,132**	7,412	N/A

In FY2024, the total number of product and service-related complaints decreased significantly to 5,240, marking a 29.7% reduction from 7,457 in FY2023. This decline reflects our ongoing effort to enhance service quality and responsiveness.

Our grievance mechanism remains robust, with 5,132 complaints successfully addressed in FY2024, maintaining a 98% resolution rate, comparable to 99% in FY2023 (7,412 complaints resolved out of 7,457 received).

Additionally, 45 unresolved complaints from FY2023 were successfully resolved within the first half of FY2024. The majority of complaints received were from our Maintenance and Property Development & Construction BUs. These primarily involved road-related issues reported by road users across all roads maintained by the Maintenance BU and defect concerns raised by new homeowners and shop owners in our property development. As of 31 December 2024, corrective action was still ongoing, with completion expected within the first half of FY2025.

Quality Assessment System within Construction

As part of our commitment to enhancing workmanship quality, our internal Property development and Construction team continuously strives to exceed industry standards for both landed housing and stratified buildings. We conduct thorough quality assessments of each construction unit, identifying and recording defects for rectification before handover to purchasers. This proactive approach has significantly improved construction quality and contributed to a reduction in customer complaints.

Product and Service Information and Labelling Compliance

During the reporting period, we are pleased to report that there have been no incidents of non-compliance concerning product and service information and labelling (GRI 417-2) or marketing communications (GRI 417-3). Our BUs operate under rigorous adherence to all relevant regulations and standards, ensuring that our practices are transparent, accurate, and ethical.

We maintain stringent oversight to prevent any misleading or deceptive practices in our product labelling and marketing communications. Our commitment to compliance is reflected in our consistent adherence to regulatory requirements and voluntary codes, reinforcing our dedication to upholding high standards of customer information and communication.

Additionally, there has been no reported cases of non-compliance related to customer privacy or data protection (GRI 418-1). The Group is steadfast in its approach to safeguarding stakeholder interests by implementing effective monitoring systems. We continually assess and enhance our performance to ensure that our stakeholders are protected, and our practices remain aligned with the highest standards of integrity and transparency.

We will continue to diligently monitor and review our practices to maintain compliance and address any potential issues promptly, ensuring that our commitment to ethical conduct and regulatory adherence is consistently upheld.

DATA PRIVACY & CYBERSECURITY

Related UNSDGs: 4 Quality Education, 9 Industry, Innovation and Infrastructure, 16 Peace, Justice and Strong Institutions

Why is this important?

In our mission to harness technology for greater operational efficiency and a competitive edge, the Group is dedicated to advancing stakeholder value through innovative and digital solutions. Digitalisation, a cornerstone of our IAP 2.0 strategy and continued into IAP 3.0, is central to our ongoing progress and success.

With the endorsement of the Cybersecurity Act 2024 (Act 854), which began its implementation in August 2024, we recognise the heightened importance of robust data privacy and cybersecurity measures. Ensuring the protection of our data against breaches and cyber threats is critical to maintaining the integrity of our operations and safeguarding stakeholder trust.

Effective data security is not only essential for operational continuity but also for upholding our reputation. Vulnerabilities or breaches can undermine stakeholder confidence and disrupt our business engagements. By prioritising cybersecurity, we are committed to protecting our stakeholders and maintaining a secure, reliable digital environment.

Our approach

Acknowledging its importance, the Group has adopted some of the following approaches.

01 POLICY AND COMMITMENT

The Group remains committed to upholding the highest standards of data privacy and cybersecurity. We have implemented policies to safeguard stakeholder information, secure our digital infrastructure, and ensure compliance with relevant regulations, including the Cybersecurity Act 2024 (Act 854). While these policies provide a strong foundation, we are continuously refining them to address all aspects of cybersecurity and Information Technology (IT), ensuring full alignment with regulatory requirements and industry best practices.

02 DATA PRIVACY

We prioritise the protection of personal and sensitive information through stringent data privacy measures, ensuring full compliance with the Personal Data Protection Act and other relevant regulations. Our practices are designed to uphold our data security, safeguard stakeholder information with robust policies and controls as required by the regulators.

03 CYBERSECURITY

Our Group is progressively looking into the cybersecurity protocols to defend against potential threats and vulnerabilities. This includes deploying security technologies, and ensuring that our IT systems are resilient against cyber-attacks. Cybersecurity is integral to our risk assessment processes, enabling us to identify and mitigate potential risks associated with our digital operations.

04 TRAINING AND AWARENESS

We recognise the critical role that employee awareness and training play in maintaining a secure digital environment. We provide ongoing training programmes to ensure that our staff are knowledgeable about data privacy and cybersecurity practices. These programmes are designed to equip our employees with the skills to identify and respond to potential threats, fostering a culture of security within the organisation.

05 MONITORING AND CONTINUOUS IMPROVEMENTS

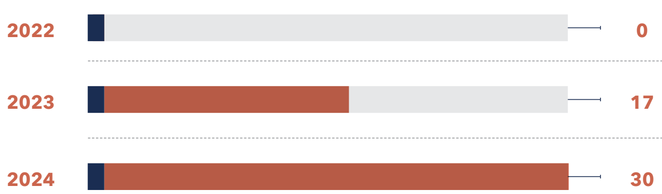
The Group is committed to monitoring our data privacy and cybersecurity practices to ensure their effectiveness. This is achieved by establishing KPIs aligned with the sustainability agenda and collecting relevant data.

Through these measures, the Group aims to ensure that our digital operations are secure and that stakeholder trust is upheld. We remain committed to enhancing our practices in line with evolving threats and regulatory requirements.

Our performance

In FY2024, the Group recorded 30 incidents of cyber-attacks throughout its BUs, marking a 76.5% increase from 17 incidents in FY2023. While comparative data for FY2022 is unavailable, this upward trend highlights the growing sophistication of cyber threats and the need for stronger security measures.

TOTAL NUMBER OF INCIDENTS OF CYBER ATTACKS



To address these challenges, the Group will centralise cybersecurity monitoring through Information Technology Centre (ITC), a newly developed unit with the support of IT service providers, re-evaluate risk mitigation strategies, and enhance employee awareness programmes. These proactive measures aim to strengthen threat detection, improve response capabilities, and reinforce our digital security framework, ensuring greater resilience against evolving cyber risks.

Data loss that incurred and its repercussion

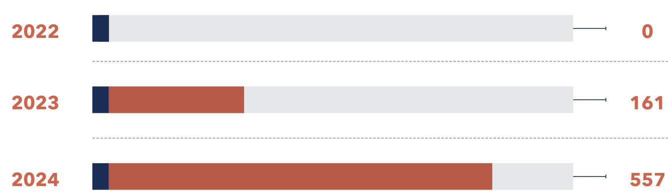
In FY2024, there was one (1) reported incident of data loss, identified by the IT service provider. At the time of the incident, ITC was not in operation, and the breach occurred due to an employee using an outdated system version, making it vulnerable to a cyberattack that led to a system crash. The lost data, belonging to the affected employee, could not be retrieved; however, it was not critical and did not impact the overall operations of the BU. No stakeholders were affected beyond the individual employee.

As a preventive measure, the BU's management has taken immediate corrective actions, including updating all laptops with the latest software and security measures to prevent similar incidents in the future.

Cybersecurity Awareness Training

The Group has made significant progress in strengthening cybersecurity awareness among employees. In FY2024, the Group conducted two (2) cybersecurity awareness programmes, doubling the efforts from one (1) session in FY2023. Staff participation also saw a substantial increase, rising from 161 employees in FY2023 to 557 employees in FY2024, reflecting a growing commitment to cybersecurity education.

STAFF PARTICIPATION IN THE CYBERSECURITY AWARENESS PROGRAMME



Although comparative data for FY2022 is unavailable, the upward trend underscores our proactive approach to enhancing employee vigilance against cyber threats. Moving forward, we remain committed to expanding awareness initiatives, ensuring that all employees are equipped with the knowledge to safeguard our digital infrastructure.

LABOUR PRACTICES

Related UNSDGs:

3 GOOD HEALTH AND WELL-BEING
4 QUALITY EDUCATION
8 DECENT WORK AND ECONOMIC GROWTH

Why is this important?

Fair labour practices with an inclusion of human rights are of paramount importance to the Group. These principles form the foundation of our commitment to ethical business operations and are essential for building trust and credibility with our stakeholders. By upholding these standards, we not only comply with legal and regulatory requirements but also foster a positive work environment that enhances employee well-being and productivity. Moreover, our dedication to human rights and fair labour practices supports the Group's long-term sustainable growth, ensuring that we remain competitive and respected in the global market.

Our approach

At Protasco Berhad, we are committed to upholding the labour practices and human rights across all our operations. Our approach is centred around the following key areas:

01 POLICY AND COMMITMENT

We have implemented comprehensive policies that underscore our commitment to human rights and fair labour practices. This includes our Human Rights Policy, Non-Discrimination Policy, and Sexual Harassment Policy, which together form the foundation of our ethical framework. These policies are designed to protect the dignity, rights, and well-being of all employees, ensuring a respectful and inclusive work environment.

02 EQUAL OPPORTUNITY AND NON-DISCRIMINATION

We are dedicated to providing equal opportunities for all employees, regardless of race, gender, religion, or any other personal characteristics. Our Non-Discrimination Policy ensures that all employment decisions, including hiring, promotion, and compensation, are based solely on merit, performance, and qualifications. This approach fosters a diverse and inclusive workplace where everyone has the opportunity to thrive.

03 SAFE AND RESPECTFUL WORKPLACE

We strive to maintain a safe and respectful workplace, free from harassment and discrimination. Our Sexual Harassment Policy is strictly enforced, and we provide training and awareness programmes to educate employees on recognising and preventing harassment. We are committed to creating a work environment where all employees feel safe, valued, and respected.

04 GRIEVANCE MECHANISM

We have a grievance mechanism process clearly outlined and practiced. This allows employees to report any concerns or violations of human rights and labour practices within their work setting.

05
TRAINING AND AWARENESS

We conduct regular training sessions and awareness programmes to educate our employees about their rights and responsibilities. These programmes are designed to reinforce our commitment to human rights and fair labour practices, ensuring that all employees are informed and empowered to contribute to a positive work environment.

06
MONITORING AND CONTINUOUS IMPROVEMENT

We continuously monitor our labour practices and human rights performance to ensure compliance with local and international standards.

07
GLOBAL STANDARDS COMPLIANCE

The Group adheres not only to Malaysian labour law standards but also internationally recognised standards, including those set by the International Labour Organisation (ILO) as required by the regulatory bodies. We ensure that our operations align with these global standards, reinforcing our commitment to ethical labour practices and human rights.

By integrating these practices into our daily operations, the Group demonstrates its unwavering commitment to upholding human rights and ensuring fair labour practices, which are essential for our continued growth and success.

Our performance

In the reporting period, the Group has made significant strides in enhancing our labour practices and upholding human rights across all operations. Below are key highlights of our performance:

Zero Incidents of Discrimination and Harassment

As of FY2024, we are pleased to report that there have been no recorded incidents of discrimination or harassment within the Group. This reflects the effectiveness of our Non-Discrimination and Sexual Harassment Policies, as well as the ongoing training and awareness programmes aimed at fostering a respectful and inclusive workplace.

Human Rights and Ethical Labour Practices Training

In FY2024, 14% of our employees completed training on human rights, non-discrimination, and ethical labour practices, which fall significantly below our 50% target. Recognising this gap, the Group, through Human Resource Department (HRD), has made this training mandatory for all employees in near future. To ensure compliance and continuous improvement, participation in these training sessions has been integrated into the Performance Management System (PMS), reinforcing our commitment to upholding ethical labour practices and fostering an inclusive workplace.

Incidents on Rights Violations

There have been no reported violations of human rights within our operations for FY2024. This includes the absence of any labour rights infringements, such as unfair labour practices or forced labour, highlighting the effectiveness of our policies and monitoring mechanisms.

Details	FY2024	FY2023	FY2022	FY2021
Number of substantiated complaints concerning human rights violations	**0**	0	0	0

Operations Subject to Human Rights Reviews or Impact Assessments (GRI 412-1)

In line with our commitment to uphold human rights across all our operations, we have taken significant steps to embed these principles into our corporate culture. During the reporting period, we successfully introduced a comprehensive Human Rights Policy, which serves as the foundation for our approach to human rights issues.

To ensure that our employees understand and adhere to these standards, we have initiated a series of awareness training sessions across all BUs. These training sessions are designed to educate our workforce on the importance of human rights, the contents of our policy, and their role in upholding these values within their daily operations.

While we have not yet conducted formal human rights reviews or impact assessments, the introduction of our policy and the awareness training are the first steps in this ongoing process. We are committed to expanding these efforts by integrating systematic human rights assessments into our operations in the near future, with the goal of ensuring full compliance and mitigating any potential human rights risks.

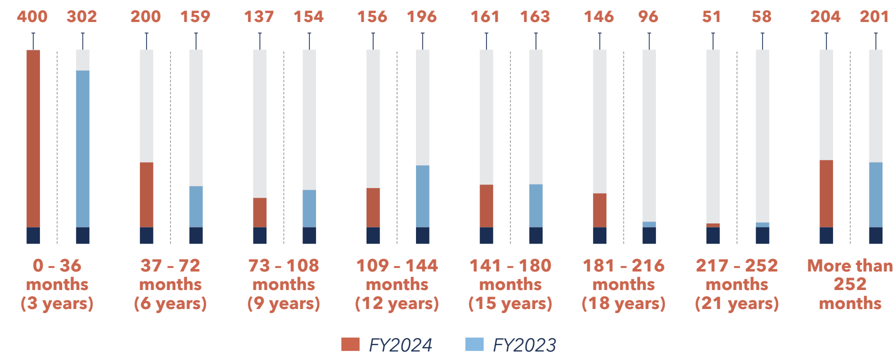
These achievements reflect the Group's unwavering dedication to upholding human rights and ensuring that our labour practices are ethical, fair, and in full compliance with the highest standards. We will continue to build on this success, striving for continuous improvement and maintaining our commitment to creating a safe, inclusive, and equitable workplace for all our employees.

Below are some data to support the Group's performance related to our labour practices.

Employee retention and attrition

The Group takes pride in its deeply committed workforce, a testament to the enduring tenure of our employees. On average, our employees remain with us for approximately more than 10 years. The table below illustrates the distribution of our employees' tenure.

PROTASCO BERHAD EMPLOYEES YEARS OF SERVICES [2 YEARS COMPARISON]

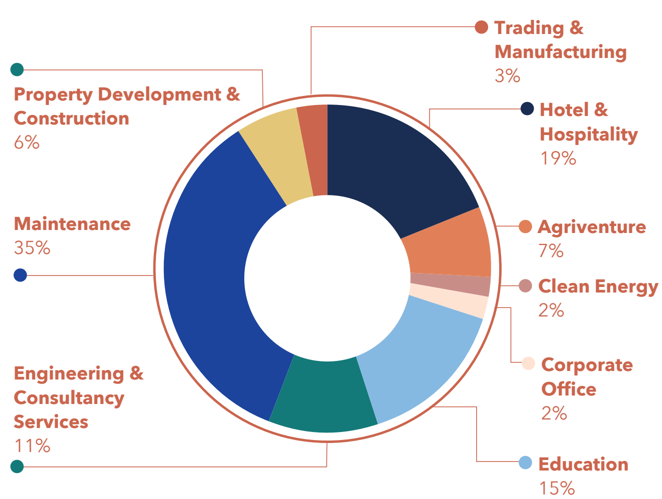


In FY2024, the Group experienced strong recruitment and retention of early-career employees, with a 10.5% increase in employees with 0–3 years of service and a 25.8% rise in those with 4–6 years. However, mid-career attrition (7–12 years) increased, primarily due to career progression shifts and restructuring within certain BUs. Long-tenured employees (15+ years) remained stable, with a significant 52.1% increase in the 15–18 years' category, highlighting strong workforce loyalty. Moving forward, enhanced engagement initiatives will be prioritised to ensure long-term workforce stability and growth.

New Hires and Turnover

The Group welcomed 213 new employees across various departments and BUs, with more than 80% of these hires filling critical roles in construction, maintenance, education, hotel & hospitality and engineering. Our recruitment process continues to prioritise diversity, equity, and inclusion, ensuring that all candidates are assessed based on merit and skills, aligned with our corporate values.

FY2024 NEW HIRES WITHIN THE GROUP



In FY2023, the Group's turnover rate was 7%, increasing to 12% in FY2024—a rise of 5 percentage points. This increase was primarily driven by various factors across specific BUs, as outlined in the table below.

Reason	Clarification	Mitigation
Restructuring & Resizing	Significant changes in Property Development & Construction, Engineering & Consultancy Services, and Trading & Manufacturing led to higher turnover.	Where feasible, employees affected by restructuring are relocated within the Group to alternative business divisions. Group HRD plays a key role in identifying suitable placements to retain talent and minimise disruptions.
Retirement & Job Transitions	Normal workforce movement across various BUs contributed to turnover.	Group HRD plays a key role in identifying suitable placements to retain talent and minimise disruptions.
Industry-Specific Factors	Agriventure and Hotel & Hospitality reported high turnover rates, influenced by seasonal workforce patterns and industry dynamics.	Strengthening employee engagement, career development, and upskilling initiatives to reduce voluntary attrition.

Business Unit	AGRIVENTURE	CLEAN ENERGY	CORPORATE OFFICE	EDUCATION	ENGINEERING & CONSULTANCY SERVICES
FY2024	64% ▲	3% ▲	17% ▲	8% ▼	13% ▲
FY2023	N/A	0%	13%	19%	1%
Changes & Key Factors	New reporting data for FY2024.	Minimal change; turnover primarily due to job changes.	Slight increase, mainly due to retirement and job changes.	Significant improvement in retention, likely due to enhanced stability in the division.	Noticeable increase, mainly due to restructuring and job changes.

Business Unit	MAINTENANCE	PROPERTY DEVELOPMENT & CONSTRUCTION	TRADING & MANUFACTURING	HOTEL & HOSPITALITY
FY2024	7% ▲	26% ▲	13% ▲	60% ▲
FY2023	4%	0%	0%	N/A
Changes & Key Factors	Moderate increase, influenced by role transitions and job changes.	Substantial rise due to restructuring and resizing.	Increase due to workforce adjustments.	New reporting data for FY2024; turnover linked to industry-specific workforce movement.

Note:
During our review of employee turnover data, we identified a minor formula error in the reported turnover rate for FY2023. This issue has been rectified, and the corrected figures have been reflected. Moving forward, we are enhancing our data verification processes by adopting dedicated software to ensure accuracy and consistency in workforce reporting, preventing similar discrepancies in the future.

Employee Benefits

The Group offers a competitive benefits package that includes health insurance, retirement plans, paid time off, and wellness programmes.

Employee Benefits	FY2024 (RM)	FY2023 (RM)
Total payments made to employees in terms of salaries, bonuses, and benefits	**71,292,932**	70,532,372
Total statutory payments made for employees' retirement benefits (EPF)	**8,263,483**	7,748,507
Total payments in medical insurance (SOCSO) for employees	**944,612**	900,836
Payments made for life insurance, including death and disability	**1,858,110**	1,281,517
Staff Training	**800,795**	626,165
Total	**83,159,932**	**81,089,397**

In FY2024, a total of 48 employees were entitled to parental leave, with 27 employees utilising paternity leave and 21 employees taking maternity leave. This reflects the Group's commitment to supporting employees in balancing work and family responsibilities.

Parental Leave	FY2024	FY2023
Employees Who Took Paternity Leave	**27**	17
Employees Who Took Maternity Leave	**21**	14
Total employees who tool parental leave	**48**	31

Below, we highlight additional benefits beyond those previously mentioned. These benefits, particularly leave entitlements, are calculated in monetary value based on days of operation.

As of FY2024		
List of Benefits	**Amount (RM)**	**Nos of Staffs Benefitted**
Medical Outpatient	2,371,345	1,455
Insurance - GHS	900,880	108
Insurance -GTL/GPA	272,657	3
Marriage Leave	4,433	20
Exam Leave	1,267	11
Compassionate Leave	83,858	61
Hajj Leave	10,018	4
Festive Leave	173,795	1,362
Special Leave (Natural Disaster Leave)	34 877	10
Company Declared Leave	86,928	1,362
Total	**3,940,058**	

In FY2024, the Group invested RM 3.94 million in employee benefits, ensuring well-being and work-life balance. Medical Outpatient assistance was the highest allocated benefit at RM 2.37 million, supporting 1,455 employees, while insurance coverage for hospitalisation, surgical, and personal accident protection benefited 111 employees. Various leave entitlements, including Marriage, Exam, Compassionate, Hajj, Festive, Special (Natural Disaster), and Company-Declared Leave, provided essential support, with Festive and Company-Declared Leave benefiting 1,362 employees. This commitment reflects the Group's dedication to employee welfare, financial security, and a supportive work environment.

IKRAM Works Sdn Bhd held a Townhall on 16 December 2024. The event was attended by Dato' Ir Kenny Chong Ther Nen, the Group Managing Director of Protasco Berhad.

A talk on Stress Management and Mental Health was organised to discuss key aspects of mental well-being and effective stress management at the workplace.

TRAINING & DEVELOPMENT

Related UNSDGs: 3 GOOD HEALTH AND WELL-BEING, 4 QUALITY EDUCATION, 8 DECENT WORK AND ECONOMIC GROWTH

Why is this important?

Protasco Berhad understands that continuous training and development are essential to maintaining a workforce that is not only proficient in their roles but also aligned with the Group's sustainability goals. Our Talent Management Programme plays a critical role in equipping employees with the skills and knowledge necessary to navigate the complexities of sustainability in a rapidly changing business environment.

This focus on training and development enhances employee satisfaction and engagement, reinforcing the Group's reputation as an employer of choice for those who value continuous professional growth. By investing in our people, we ensure that the Group and its BUs remains agile, responsible, and well-prepared to face future challenges, thereby driving long-term sustainable success.

Our approach

The Group has always emphasised the importance of upskilling as a strategic imperative for achieving our sustainability objectives. By keeping our employees informed about the latest developments in sustainability practices, technologies, and industry trends, we empower each BU to meet evolving environmental and social expectations effectively.

Our approach to training and development is structured around the following key initiatives:

01 TALENT MANAGEMENT

We are committed to talent development by identifying employee training needs and provides learning opportunities. This initiative helps enhance both technical and soft skills, ensuring our workforce remains adaptable in a changing business environment.

02 INTEGRATION WITH SUSTAINABILITY GOALS

Training and development at Protasco are closely aligned with our sustainability agenda. We prioritise upskilling in areas related to sustainability, such as environmental management, social responsibility, and governance practices. This ensures that our employees are not only proficient in their roles but also contribute to the Group's overarching sustainability objectives.

03 USE OF DIGITAL PLATFORMS

By leveraging digital platforms, we make training resources accessible to all employees, enabling them to learn at their own pace and convenience. This approach is particularly beneficial given the geographical spread of our workforce across Malaysia.

04 FOCUS ON CONTINUOUS IMPROVEMENT

We regularly assess the effectiveness of our training programmes through feedback and performance evaluations. This allows us to continuously refine our approach, ensuring that our training initiatives remain relevant and impactful.

05 ENCOURAGEMENT OF LIFELONG LEARNING

We promote a culture of lifelong learning, encouraging employees to pursue ongoing education and professional development. This commitment to continuous learning not only enhances individual career growth but also strengthens the overall capabilities of the organisation.

Through these initiatives, Protasco Berhad ensures that our employees are well-prepared to contribute to our sustainability efforts, driving innovation, efficiency, and responsible growth across all areas of our business.

Our performance

Employee training hours

In 2024, we spent 27,761 hours on training, investing RM808,928 in internal and external learning and development programmes. Below we present a Table indication on our 3 years' performance.

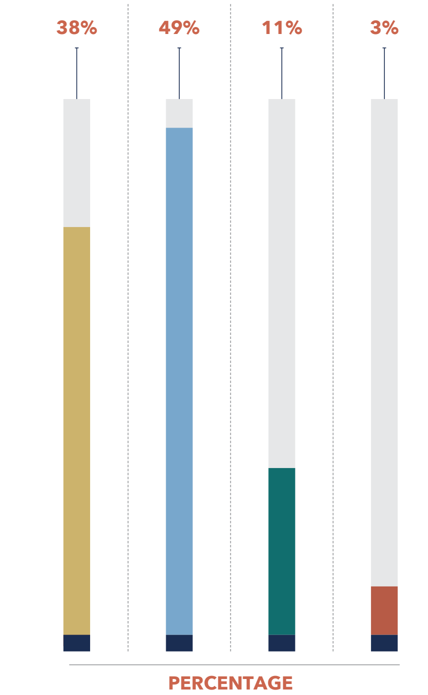
Details	FY2024	FY2023	FY2022
Total training hours as a company	**27,761**	20,520	24,827
Total training spends as a company (RM)	**808,928**	626,165	778,277
Total training hours per BU	**3,084**	2,931	3,010
Total training spends per BU (RM)	**89,881**	89,452	97,285
Average training hours per employee	**19.08**	14.80	17.6
Average training days per employee	**3.17**	2.035	13.88
Average training spend per employee	**RM556**	RM451	RM552

In FY2024, the Group significantly strengthened its training initiatives, with total training hours increasing by 35.3% year on year (YoY) and total training spend rising by 29.2% YoY, demonstrating the Group's strong commitment to employee development. In addition, training hours per BU grew by 5.2% YoY, while spending per unit remained stable, which marks our focus cost efficiency.

Employees received 28.9% more training hours and 55.8% more training days YoY; however, the lower training days compared to FY2022 reflect a shift towards shorter, high-impact sessions tailored for the employees' current tasks. As we continue investing in employee growth, we are actively measuring training effectiveness to ensure all programmes attended by our employees, drive meaningful skill development and business impact.

The Group is committed to fostering self-improvement and the continuous enhancement of skills across all employment levels. We offer both executives and non-executives opportunities to upskill and reskill, enabling them to refine existing abilities or acquire new ones.

FY2024 TRAINING & DEVELOPMENT [BASED ON EMPLOYMENT LEVEL]



The Emergency Response Team (ERT) Committee under Protasco Maintenance Division participated in a team-building programme from 26 June 2024 to 28 June 2024, at Kem Permata Resort in Alor Gajah, Melaka.

WATER MANAGEMENT

Related UNSDGs:

Why is this important?

Protasco Berhad recognises the critical role water plays in our operations and the environment. We are committed to responsible water use and conservation. Effective water management not only mitigates risks associated with resource scarcity and regulatory compliance, but also enhances our operational efficiency and reduces costs.

Our approach

Although our operations are not classified as water-intensive, the Group is deeply committed to responsible water management as part of our broader sustainability agenda. In FY2024, we established a baseline to drive sustainable water practices, setting the foundation for long-term conservation efforts. Our proactive approach includes ambitious targets for reducing water consumption, enhancing efficiency, and aligning with environmental objectives. By evaluating water usage in cubic meters and tracking progress through defined KPIs, we gain valuable insights into the Group and individual BU's consumption patterns, enabling cost-saving measures and operational improvements.

Moving forward, we will implement targeted conservation initiatives, and strengthen our role in environmental stewardship progressively.

Our performance

Details	FY2024	FY2023	FY2022
Total volume of water used (m^3)	**47,537**	43,559	38,655
Amount paid for the volume used (RM)	**124,289**	108,588	89,207
Recycled water (m^3)	**0**	0	6,000
Building Occupancy (square meter)	**101,364**	101,364	N/A
Water intensity (total megalitres per square foot or metres)	**0.47**	0.43	N/A

In FY2024, our total water consumption increased by 9%, from 43,559 m^3 in FY2023 to 47,537 m^3. This rise, along with sustained building occupancy, resulted in a 14.4% increase in water expenditure, reaching RM124,289. Additionally, our water intensity rose from 0.43 ML/m^2 to 0.47 ML/m^2, providing us with a clearer understanding of our consumption patterns.

Over the past two (2) years, our focus has been on establishing reliable data collection and a baseline. With this foundation now in place, we will gradually implement measures to optimise water use, including conservation initiatives and potential recycling strategies. While immediate reductions may not be feasible, our long-term effort will be directed towards improving efficiency, managing costs, and ensuring sustainable resource utilisation.

WASTE MANAGEMENT

Related UNSDGs:

Why is this important?

The Group recognises waste management as a critical aspect of sustainability, helping to minimise environmental impact, conserve natural resources, and reduce pollution. Effective waste management strengthens our commitment to environmental stewardship, improves operational efficiency, and ensures compliance with regulatory requirements.

Our approach

At Protasco, we are committed to managing waste in a manner that complies with all relevant regulatory requirements. While we do not have a specific waste management policy, we ensure rigorous adherence to regulatory standards to minimise our environmental impact and promote responsible waste management practices.

In FY2024, we have intensified our efforts in waste management through a range of initiatives. We have enhanced our waste management practices by improving data monitoring, which enables us to track and report waste-related metrics more effectively.

To launch several projects focused on waste reduction and recycling. These initiatives aim to foster a culture of sustainability within the Group and among our stakeholders.

To further our commitment, we are actively raising awareness about waste management practices among our employees and partners. This progressive approach underscores our dedication to reducing waste and enhancing our overall environmental performance.

Our performance

In FY2024, Protasco has made significant strides in waste management, focusing on compliance, awareness, and practical initiatives. Here's an overview of our performance in this area:

Regulatory Compliance

We continue to uphold stringent adherence to all regulatory requirements on waste management. Our commitment to legal compliance ensures that we meet or exceed industry standards, reducing our environmental footprint and mitigating potential risks.

An Independent Environmental Consultant is engaged to conduct an Environmental Impact Assessment (EIA) before the commencement of new projects. As of FY2024, the property construction division has ensured that its projects adhere to this requirement.

Data Monitoring and Reporting

Project-related BUs have strengthened their waste data capturing and monitoring capabilities, enhancing our ability to track, report, and analyse waste management metrics. This improved data visibility enables informed decision-making and helps identify areas for further improvement. The data presented below reflect the summary from our data capturing.

Details	FY2024	FY2023	FY2022	FY2021
Total Waste Generated (tonnes)	**14**	12	23	N/A
Waste Directed to Disposal	**9**	8	16	N/A
Re-used waste (tonnes)	**0**	0	5	N/A
Recycled waste (tonnes)	**5**	3	1	N/A
Percentage of recycled & reused waste	**35%**	29%	29%	N/A

Beach cleaning programme at Bagan Lalang, Sepang on 19 September 2024

In FY2024, total waste generation increased to approximately 14 tonnes, a 12% rise from FY2023, though significantly lower than 23 tonnes in FY2022. Waste directed to disposal saw a slight increase to 9 tonnes, while reused waste remained at zero, similar to the previous year. However, recycling efforts improved significantly, with 5 tonnes recycled in FY2024–approximately 35% increase from FY2023 and four (4) times higher than FY2022. This progress raised the percentage of recycled and reused waste to 35%, compared to 29% in both FY2023 and FY2022.

Moving forward, the group will strengthen its waste management efforts, particularly as most waste is handled by contractors. Enhancing collaboration with contractors will be key to ensuring responsible waste disposal and increasing recycling rates. Future initiatives will focus on improving waste tracking, promoting reuse, and further minimising disposal volumes, reinforcing the company's commitment to sustainability.

Waste Reduction and Recycling Initiatives

This year, we have undertaken several projects aimed at reducing waste generation and increasing recycling rates. These projects include:

(a) Two (2) of the BUs, Maintenance and Property Development & Construction, have implemented a comprehensive recycling programme across its operational workspace, focusing on materials such as paper, plastics, and metals. While the initiative has yet to make a significant impact at the Group level, it is a commendable effort. Moving forward, a more structured and integrated approach will be adopted across the Group to enhance recycling efforts.

(b) Two (2) beach cleaning projects were conducted to align with our broader goals of waste reduction and environmental conservation.

In 2024, we took small but meaningful steps toward strengthening our environmental and recycling efforts.

As part of our commitment to sustainability, we organised two (2) beach cleaning initiatives to promote waste reduction and responsible waste management.

On 4 September 2024, Roadcare (M) Sdn Bhd, through its Biodiversity Corporate Social Responsibility Programme, led a "gotong-royong" beach cleaning activity at Teluk Mak Nik, Kemaman, Terengganu, with the participation of 90 employees, including management. Similarly, on 19 September 2024, the Corporate Office, in collaboration with all BUs within the Group and in partnership with Majlis Sepang, carried out another beach cleaning programme at Pantai Bagan Lalang, engaging 45 employees.

While these initiatives primarily focused on waste collection, they also served as a starting point for greater awareness and action on recycling and environmental conservation within the Group. Moving forward, we aim to build on these efforts by integrating structured recycling programmes, enhancing waste management practices, and fostering long-term environmental responsibility across our operations.

		Total Material Waste (nos - kg)												
				Papers										
Nos	Business Unit	Tins	Bottle	Normal	Papers (Coloured)	Shredded Papers	Metal	Oil	Plastics	Chemicals	Box	Clothes	Others	Total
1	Maintenance	13	0	113	115	14	0	0	46	0	19	0	6	325
2	Property Development & Construction	0	0	4,675	0	0	35	0	0	0	0	0	0	4,710
	Total	**13**	**0**	**4,788**	**115**	**14**	**35**	**0**	**46**	**0**	**19**	**0**	**6**	**5,035**

In FY2024, the Group generated 5,035 kg of material waste, with Property Development & Construction contributing the most (4,710 kg), primarily from paper waste. Maintenance generated 325 kg, including paper, plastics, tins, and boxes.

With paper waste making up the majority, future efforts will focus on enhancing recycling initiatives and improving waste management practices across operations.

MATERIALS

Related UNSDGs:

Why is this important?

Materials are crucial to sustainability as their selection impacts environmental footprint, resource efficiency, and regulatory compliance. By prioritising sustainable materials, we minimise resource depletion, reduce waste, and align with stakeholder expectations. This approach supports long-term project viability, fosters innovation, and provides a competitive edge. Moreover, it reflects our commitment to social responsibility and can lead to financial benefits through cost savings and regulatory incentives, ensuring both environmental and economic sustainability.

Our approach

At Protasco, we recognise that the materials used in road maintenance are key to advancing our sustainability agenda. In line with our commitment to environmental stewardship, we are actively exploring and integrating environmentally friendly materials into our operations. This approach not only supports our sustainability goals but also contributes to a circular economy by promoting resource efficiency and reducing environmental impact.

01/ Sourcing and Procurement of Materials

We prioritise sourcing materials from suppliers who demonstrate environmental responsibility and comply with quality standards set by relevant regulatory bodies, such as the Construction Industry Development Board Malaysia (CIDB).

02/ Environmental Friendly and Waste Reduction Focused

While cost and other challenges may influence the extent of environmentally friendly material procurement, we remain committed to optimising material use, minimising waste, and enhancing resource efficiency across our operations. We actively explore and incorporate innovative materials in our road projects, leveraging advanced solutions that enhance sustainability, reduce landfill waste, and improve durability. Below are some of the materials used and the waste material contents.

Details	Waste Material Content	Description
Crumb Rubber Modified Gap Graded Asphalt (CRMA)	0% (not a recycled material, but a renewable natural product)	Unprocessed latex from rubber trees (Cuplump) is a renewable and biodegradable material that, when incorporated into asphalt, reduces reliance on synthetic polymers and fossil fuels. It enhances road flexibility and durability, lowering maintenance needs and material consumption
Petronas Plastic Modified Binder (PMB)	15% – 22%	Utilises recycled rubber from waste tyres, reducing landfill waste and pollution.
Fibre Mastic Asphalt (FMA)	5% – 15%	Incorporates recycled plastics, reducing plastic waste. Improves road longevity, lowering the need for frequent resurfacing and material use.
MacRebur 6 (MR6)	0.3% to 0.6%	Uses recycled plastic waste, reducing reliance on virgin materials. This material not only strengthens roads, but lowers maintenance frequency and carbon footprint. The material Reduces landfill waste and potential plastic pollution.
Polymer Modified Cementitious Binder-RHAzyme	6% – 10%	Contains Rice Husk Ash (RHA), an agricultural by-product that reduces waste, enhances soil stabilisation, lowers cement usage, and improves infrastructure durability and sustainability.

By seamlessly integrating these materials, we reinforce our dedication to environmental and social responsibility.

03/ Monitoring and Reporting

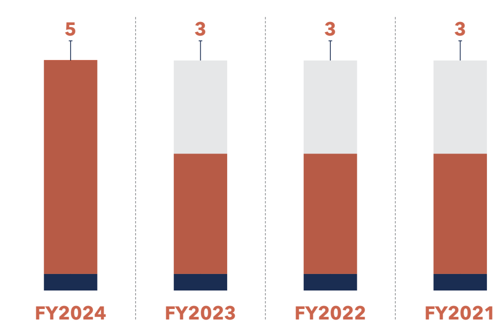
In this report, we provide detailed insights into our material usage over the past two (2) years, focusing on the 15 most essential materials used in our projects. Our approach prioritises sustainable and innovative materials to enhance durability, reduce environmental impact, and minimise waste. The table below highlights our material consumption for FY2024 and FY2023, reflecting our ongoing commitment to responsible resource management.

Details	FY2024	FY2023
Cement (tonnes)	**5,478**	1,969
Crusher run	**20,505**	4,030
(Asphalt Concrete 28mm)- AC28	**34,579**	15,677
(Asphalt Concrete 14mm) - AC14	**33,377**	32,870
Crumb Rubber Modified Bitumen (CRMB)	**NIL**	8,688
Cuplump Modified Bitument (CMB)	**NIL**	10,796
Polymer Modified Bitumen (PG76)	**NIL**	208
Cuplump Modified Asphalt (CMA)	**NIL**	20,864
Crumb Rubber Modified Gap Graded Asphalt (CRMA)	**83,738**	109,943
Petronas Plastic Modified Binder (PMB)	**2,107**	-
Fibre Mastic Asphalt (FMA)	**18,262**	-
MacRebur 6 (MR6)	**74,380**	-
Polymer Modified Cementitious Binder-RHAzyme	**16,897**	-

By consistently monitoring and optimising our material usage, we aim to drive efficiency while aligning with our sustainability goals.

Performance Data:

NO. OF RECYCLE MATERIAL USED



Over the past four (4) financial years, we have consistently utilised recycled materials in our operations, demonstrating our commitment to sustainable practices. From FY2021 to FY2023, the number of recycled materials used remained steady at three (3). However, in FY2024, we successfully increased this to five (5), marking a significant step forward in our efforts to integrate more sustainable materials into our projects. This increase reflects our proactive approach to optimising resource efficiency, reducing landfill waste, and enhancing environmental responsibility across our value chain.

All our CSR projects are identified by the #Protascoprihatin which reflects our concern for a sustainable future.

ENERGY MANAGEMENT

Related UNSDGs:

Why is this important?

Energy consumption is an integral aspect of our operations across various facilities and construction sites, contributing to carbon emissions that impact climate change. Recognising this, we understand that effective energy management is vital for minimising our environmental impact and advancing our climate change agenda.

Our approach

Over the past three (3) years, the Group has systematically monitored energy consumption to establish a reliable baseline for setting precise targets and aligning strategic plans. By FY2024, this foundational effort has provided valuable insights into energy usage across our operations.

Energy Efficiency Initiatives

As part of our Energy Efficiency Initiatives, we have taken initial steps by incorporating renewable energy sources in De Centrum City and Park Inn (Hotel & Hospitality). While our energy efficiency journey is still in its early stages, we recognise the need to expand our efforts to achieve greater impact.

To further strengthen our energy management strategy, we will explore energy performance benchmarking, staff training on energy conservation, and collaborations with industry partners to adopt innovative solutions. Our commitment remains steadfast in driving energy efficiency improvements while reducing environmental impact.

Data Monitoring and Analysis

This plays a crucial role in our energy management efforts. We track and analyse energy consumption across our facilities to inform our strategies and identify areas for improvement. Assessments done annually ensure that our energy use remains optimised.

In line with our commitment to transparency, we report our energy performance annually, providing stakeholders with clear insights into our progress and achievements. Through these efforts, we continue to strengthen our approach to sustainable energy management, driving operational efficiency while reducing environmental impact.

Continuous Improvement

Energy management is a continuous improvement process for the Group. We regularly review and enhance our strategies by analysing performance data, incorporating stakeholder feedback, and adapting to emerging trends. This commitment ensures sustained progress in our sustainability efforts.

Our performance

In FY2024, the Group has continued to advance its sustainability agenda, reflecting our commitment to environmental stew-ardship, social responsibility, and governance excellence. This section provides an overview of our performance across key sustainability metrics, demonstrating our progress and areas of focus.

Parental Leave	FY2024	FY2023	FY2022
Total energy consumption (kWh/MWh) from non-renewable sources	**3,388,374**	2,686,665	2,602,049
Total energy consumption (kWh/MWh) from renewable sources	**435,952**	1,159,025	436,814
Total energy consumption (kWh/MWh) from renewable and non-renewable sources	**3,824,326**	3,845,689	3,038,864
Amount of reduction in energy consumption achieved as a result of conservation and efficiency initiatives.	**RM154,687**	RM118,702	N/A
CO_2 emission avoidance based on consuming solar energy (tonnes)	**260**	691	260
Building Occupancy	**101,364**	101,364	N/A
Energy Use Intensity (EUI) [Total Energy Consumption (kWh)/Total Occupied Space (m^2)]	**38**	38	N/A

In FY2024, Protasco Berhad experienced a shift in its energy consumption strategy following the discontinuation of the Green Electricity Tariff (GET) purchased from TNB Renewable Energy in previous years. As a result, total renewable energy consumption declined significantly from 1.16 million kWh in FY2023 to 435,952 kWh in FY2024. This shift contributed to a lower CO_2 emission avoidance from solar energy, which dropped from 691 tonnes in FY2023 to 260 tonnes in FY2024. Despite this, the Group remains committed to sustainability, focusing on self-generated renewable energy through its installed solar panels.

At the same time, non-renewable energy consumption increased to 3.39 million kWh in FY2024, up from 2.69 million kWh in FY2023. However, overall energy efficiency remained stable, with the Energy Use Intensity (EUI) improving slightly from 37.94 kWh/m² in FY2023 to 37.73 kWh/m² in FY2024. Additionally, energy conservation and efficiency initiatives resulted in cost savings of RM154,687 exceeding the RM118,702 achieved in FY2023.

Going forward, the Group will continue to enhance its renewable energy strategy by maximising solar energy generation while exploring further energy efficiency measures. These efforts will help maintain sustainability commitments and ensure long-term energy cost optimisation.

CLIMATE CHANGE

Related UNSDGs: 12 RESPONSIBLE CONSUMPTION AND PRODUCTION, 13 CLIMATE ACTION

Why is this important?

Addressing climate change is a regulatory and economic necessity for Protasco, ensuring compliance with evolving standards while mitigating environmental risks and enhancing economic resilience. By optimising resource efficiency and implementing sustainable practices, the company reduces operational costs, meets stakeholder expectations, and strengthens its commitment to corporate responsibility. This approach not only supports global sustainability efforts but also secures long-term business continuity, positioning Protasco for sustained growth in a rapidly changing regulatory and environmental landscape.

Our approach

At Protasco, we have adopted a comprehensive approach that encompasses the following key areas:

Climate Risk Assessment and Management 01

We have taken steps to identify and evaluate climate-related risks and opportunities. This helps us develop robust strategies to mitigate potential impacts and capitalise on emerging opportunities in our operations.

Emission Reduction Initiatives 02

We are committed to reducing our greenhouse gas (GHG) emissions through continuous improvement and strategic initiatives. While implementing targeted reduction efforts, we are also enhancing our processes and data capture across BUs to ensure more accurate tracking and impactful outcomes. As we have recently started this journey, we are in the process of establishing a baseline by obtaining comprehensive data, which will enable us to set appropriate and achievable reduction targets. Our approach aligns with national climate goals, reinforcing our dedication to sustainability and regulatory compliance while driving long-term operational efficiency.

Compliance and Reporting 03

We ensure compliance with relevant climate-related regulations and standards, including disclosures under frameworks such as the Task Force on Climate-related Financial Disclosures (TCFD). Our reporting practices are transparent and aim to provide stakeholders with clear insights into our climate-related performance and progress.

Our performance

In FY2024, Protasco has made significant strides in addressing climate change and enhancing our sustainability practices.

GHG Scope 1	
Details	FY2024 (tCO_2e)
Mobile Combustion	**3,829**
Stationary Combustion	**3**
LPG Gas	**0***
Fugitive Emissions	**11,054**
Process Emissions	**N/A**
Total Scope 1 Carbon Footprint	**14,886**

* *Available data with insignificant figure.*

In FY2024, Protasco Berhad's total Scope 1 carbon footprint amounted to 14,886 tCO_2e, with fugitive emissions as the largest contributor at 11,054 tCO_2e. However, only two (2) divisions have reported fugitive emissions, as the Group is still in the process of educating all BUs on data collection. Currently, the focus has been on capturing emissions from mobile combustion (3,829 tCO_2e), stationary combustion (3 tCO_2e), and LPG gas usage (0.08 tCO_2e). Moving forward, fugitive emissions will be systematically recorded across all BUs to ensure a more comprehensive assessment. Given the nature of Protasco's businesses, there are no reported process emissions. This ongoing effort aligns with our commitment to refining data accuracy and enhancing emission reduction strategies across the Group.

GHG Scope 2

In FY2024, the Group's Scope 2 carbon footprint is 2,983 tCO_2e, entirely from energy consumption. The Group does not account for emissions from steam or heating, as these are not part of our operational energy sources. Our focus remains on optimising energy efficiency and transitioning towards cleaner energy alternatives to minimise our indirect emissions impact.

GHG Scope 3	
Details	FY2024 (tCO_2e)
Business Travel	**0.00**
Employee Commute	**0.00**
Waste (tonnes)	**3**
Transportation by suppliers or contractors for our business purposes	**0.00**
Total Scope 3 Carbon Footprint	**3**

The Group is in the early stages of Scope 3 data collection, with current efforts prioritising data accuracy for Scope 1 and 2. In FY2024, the reported Scope 3 emissions stood at 3 tCO_2e, attributed solely to waste, as data for business travel, employee commute, and supplier/contractor transportation is still being refined. Moving forward, the Group is adopting software that will enhance data collection and accuracy, making comprehensive Scope 3 reporting possible, in line with our sustainability commitments.

Performance Data

Protasco Berhad has enhanced its emissions reporting by establishing a more comprehensive GHG inventory, particularly for Scope 1 and Scope 3 emissions, which were not previously recorded. In FY2024, total GHG emissions amounted to 17,872.51 tCO_2e, comprising Scope 1 (14,886 tCO_2e), Scope 2 (2,983 tCO_2e), and Scope 3 (3 tCO_2e). The increase in reported emissions reflects improved data collection processes rather than an actual surge in emissions.

3-years Group GHG Emissions (tCO_2e)			
Details	FY2024 (tCO_2e)	FY2023 (tCO_2e)	FY2022 (tCO_2e)
Scope 1	**14,886**	N/A	N/A
Scope 2	**2,983**	2,215	2,030
Scope 3	**3**	N/A	N/A
Total GHG Emissions	**17,872**	2,215	2,030

Moving forward, the Group will continue refining data accuracy and expanding its Scope 3 reporting capabilities through system enhancements to ensure transparent and comprehensive emissions tracking.

BIODIVERSITY

Related UNSDGs:

Why is this important?

Biodiversity is essential for sustainability and the Group as it underpins ecosystem health, ensuring vital processes like pollination, water purification, and soil fertility that support our operations. It also aids in regulatory compliance, safeguarding against legal issues and enhancing our reputation by demonstrating environmental stewardship. Supporting biodiversity mitigates risks associated with resource availability and environmental changes, while aligning with global sustainability goals. By integrating biodiversity into our strategy, we protect the natural resources crucial for our operations, meet regulatory and societal expectations, and contribute positively to global environmental conservation efforts.

Our approach

At Protasco, our approach to biodiversity is centred on integrating conservation efforts into our operational practices and strategic objectives. We actively engage in the following practices:

Impact Assessments 01

We conduct comprehensive environmental impact assessments across all projects to identify, mitigate, and manage potential effects on local ecosystems and wildlife. This proactive approach ensures that our operations align with conservation objectives and regulatory requirements.

To minimise our ecological footprint, we implement sustainable practices, including reducing habitat disruption, eliminating harmful substances, and promoting responsible land use and resource management. These measures reinforce our commitment to environmental stewardship and long-term sustainability.

Conservation Initiatives 02

We support and participate in conservation projects aimed at protecting and restoring natural habitats. Our initiatives include partnerships with environmental organisations and participation in local biodiversity conservation efforts.

Monitoring and Reporting 03

We continuously monitor and report on the impact of our activities on biodiversity by tracking key conservation metrics and updating stakeholders on our progress, aligning these efforts with our GHG reduction initiatives, while embedding biodiversity considerations into our operations and decision-making to contribute positively to environmental conservation and ensure long-term business sustainability.

Our Performance

In FY2024, Protasco has made significant strides in integrating biodiversity considerations into our operations and practices. Here's a summary of our performance:

Environmental Impact Assessments (EIAs)

The Property Development & Construction BU, with the support of its consultant, successfully conducted two (2) comprehensive environmental monitoring assessments in January and May 2024 for a housing development project in Tampin, Negeri Sembilan. The assessments evaluated surface water quality, discharge water quality, ambient air quality, boundary noise levels, and vibration levels at the project site, ensuring adherence to environmental standards and regulatory requirements.

Conservation Projects

As of FY2024, the Group has not undertaken any conservation projects due to the cost and commitment required for such initiatives. While conservation remains a priority and is included in our long-term sustainability plans, no projects were implemented during this reporting period. Moving forward, the Group will explore opportunities to integrate conservation efforts into our sustainability strategy as resources and feasibility allow.

Sustainable Practices

DAL HCM Sdn Bhd under the Maintenance BU, participated in the Sarawak Greening Campaign by planting 500 high-value native trees, including belian, meranti, and selangan, at the Sabal Forest Reserve in Simunjan. The initiative, conducted in collaboration with the Sarawak Forestry Department (SFD) and local communities, involved 80 representatives from DAL HCM Sdn Bhd and SFD. This effort aligns with Sarawak's goal of maintaining 62% forest coverage and aims to educate the community on the importance of forest sustainability, raising awareness of the positive impact of forest restoration on biodiversity and ecosystem balance. The tree planting activity is part of the Sarawak Forest Landscape Restoration (FLR) programme, led by the SFD, reinforcing the commitment to long-term environmental conservation.

The Group collaborated with Majlis Sepang to plant Casuarina equisetifolia along Bagan Lalang Beach as part of an erosion prevention initiative.

Monitoring and Reporting

We enhanced our monitoring processes by developing a new set of biodiversity metrics. This year, we successfully tracked and reported on key biodiversity indicators.

3-years comparison on Biodiversity Performance

Items	FY2024	FY2023	FY2022
Number of Trees Planted (Tree Planting programme)	**1,816**	0	N/A
Number of Tree Tagging Activities	**166**	0	N/A
Budget spent on Biodiversity and conservation efforts / programmes / initiatives (RM)	**136,404**	11,296	3,200
Identification of International Union for Conservation of Nature (IUCN) Red List of Threatened Species on owned sites	**0**	0	0
Number of biodiversity assessments undertaken on new sites	**0**	0	1
Number of biodiversity audits undertaken on existing sites	**7**	0	0

In FY2024, the Group enhanced its biodiversity and conservation efforts, planting 1,816 trees through various tree-planting programmes, a significant step forward from previous years. Additionally, 166 tree tagging activities were conducted under the Property Division to support biodiversity monitoring and conservation. The budget for these initiatives increased substantially to RM136,404, compared to RM11,296 in FY2023 and RM3,200 in FY2022. While no IUCN Red List species were identified on owned sites and no operations were conducted within or adjacent to high-biodiversity areas, the Group remained committed to monitoring and assessment. Seven (7) biodiversity audits were undertaken on existing sites, reinforcing its focus on environmental responsibility. Moving forward, the Group aims to further integrate biodiversity considerations into its sustainability strategy.

Performance Data Table

Indicator	Measurement Unit	2024
Bursa (Anti-corruption)		
Bursa C1(a) Percentage of employees who have received training on anti-corruption by employee category		
Senior Management	Percentage	1
Middle Management	Percentage	12
Executive	Percentage	54
Non-Executive	Percentage	33
Bursa C1(b) Percentage of operations assessed for corruption-related risks	Percentage	28
Bursa C1(c) Confirmed incidents of corruption and action taken	Number	0
Bursa (Supply chain management)		
Bursa C7(a) Proportion of spending on local suppliers	Percentage	97.62
Bursa (Community/Society)		
Bursa C2(a) Total amount invested in the community where the target beneficiaries are external to the listed issuer	MYR	2,119,060
Bursa C2(b) Total number of beneficiaries of the investment in communities	Number	6
Bursa (Diversity)		
Bursa C3(a) Percentage of employees by gender and age group, for each employee category		
Age Group by Employee Category		
Senior Management Under 30	Percentage	0
Senior Management Between 30-50	Percentage	45
Senior Management Above 50	Percentage	55
Middle Management Under 30	Percentage	1
Middle Management Between 30-50	Percentage	68
Middle Management Above 50	Percentage	31
Executive Under 30	Percentage	28
Executive Between 30-50	Percentage	63
Executive Above 50	Percentage	9
Non-Executive Under 30	Percentage	26
Non-Executive Between 30-50	Percentage	61
Non-Executive Above 50	Percentage	13
Gender Group by Employee Category		
Senior Management Male	Percentage	71
Senior Management Female	Percentage	29
Middle Management Male	Percentage	64
Middle Management Female	Percentage	36
Executive Male	Percentage	59
Executive Female	Percentage	41
Non-Executive Male	Percentage	82
Non-Executive Female	Percentage	18
Bursa C3(b) Percentage of directors by gender and age group		
Male	Percentage	71
Female	Percentage	29
Under 30	Percentage	0
Between 30-50	Percentage	29
Above 50	Percentage	71

Internal assurance	External assurance	No assurance	(*)Restated

Indicator	Measurement Unit	2024
Bursa (Health and safety)		
Bursa C5(a) Number of work-related fatalities	Number	1
Bursa C5(b) Lost time incident rate (LTIR)	Rate	0.97
Bursa C5(c) Number of employees trained on health and safety standards	Number	699
Bursa (Data privacy and security)		
Bursa C8(a) Number of substantiated complaints concerning breaches of customer privacy and losses of customer data	Number	1
Bursa (Labour practices and standards)		
Bursa C6(a) Total hours of training by employee category		
Senior Management	Hours	605
Middle Management	Hours	5,057
Executive	Hours	14,585
Non-Executive	Hours	6,952
Bursa C6(b) Percentage of employees that are contractors or temporary staff	Percentage	3
Bursa C6(c) Total number of employee turnover by employee category		
Senior Management	Number	7
Middle Management	Number	19
Executive	Number	91
Non-Executive	Number	63
Bursa C6(d) Number of substantiated complaints concerning human rights violations	Number	0
Bursa (Water)		
Bursa C9(a) Total volume of water used	Megalitres	47,537.33
Bursa (Waste management)		
Bursa C10(a) Total waste generated	Metric tonnes	13.73
Bursa C10(a)(i) Total waste diverted from disposal	Metric tonnes	5.06
Bursa C10(a)(ii) Total waste directed to disposal	Metric tonnes	8.93
Bursa (Energy management)		
Bursa C4(a) Total energy consumption	Megawatt	3,824,325.51
Bursa (Emissions management)		
Bursa C11(a) Scope 1 emissions in tonnes of CO_2e	Metric tonnes	14,886.70
Bursa C11(b) Scope 2 emissions in tonnes of CO_2e	Metric tonnes	2,982.98
Bursa C11(c) Scope 3 emissions in tonnes of CO_2e (at least for the categories of business travel and employee commuting)	Metric tonnes	0

Internal assurance	External assurance	No assurance	(*)Restated

Statement of Assurance

In strengthening the credibility of the Sustainability Statement, selected aspects of this Sustainability Statement have been subjected to an internal review by the company's internal auditors and have been approved by the Company's Audit Committee.

Subject Matter

The subject matter covered by the internal review included the following indicators:

Common Indicator	Sub Indicator		Sustainability Statement
Anti-Corruption	C1 (a)	Percentage of employees who have received training on anticorruption by employee category.	In total 591 employees received training on anti-corruption for FY2024. The percentage of employees trained, by employee categories, is as follows: • 1% of senior management • 12% of middle management • 54% of executive • 33% of non-executive
	C1 (c)	Confirmed incidents of corruption and action taken.	There were no confirmed incidents of corruption reported in FY2024.
Diversity	C3 (a)	Percentage of employees by gender and age group, for each employee category.	Women leaders in senior and managerial positions comprise 35% of total management positions.
Emissions Management	C11 (a)	Scope 1 emissions in tonnes of CO_2e.	In FY2024, Scope 1 GHG emissions totalled 3,832.20 metric tonnes of CO_2e, with 3,828.83 metric tonnes from mobile combustion and 3.37 metric tonnes from stationary combustion.
Health and Safety	C5 (a)	Number of work-related fatalities.	The Group reported 1 work- related fatality in FY2024.
	C5 (b)	Lost time incident rate.	For FY2024, the Lost Time Incident Rate (LTIR) was recorded at 0.97.
	C5 (c)	Number of employees trained on health and safety standards.	A total of 374 safety training sessions were conducted, engaging 699 participants from Groups.

Scope

The internal audit review covered Protasco Group operations within Peninsular Malaysia, applying a sampling methodology to assess reasonableness.

GRI Materiality Content Index

GRI Standard	Disclosure	Page Numbers
General Disclosures		
GRI 2: General Disclosures 2021	2-1 Organisational details	1 – 9; 17 - 25
	2-2 Entities included in the organisation's sustainability reporting	29 - 30
	2-3 Reporting period, frequency and contact point	
	2-4 Restatements of information	
	2-5 External assurance (Statement of Assurance)	96
	2-6 Activities, value chain and other business relationships	32 - 39
	2-7 Employees	65 – 69; 77 - 81
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	2-9 Governance structure and composition	34; 102 - 110 122 – 131;
	2-10 Nomination and selection of the highest governance body	
	2-11 Chair of the highest governance body	
	2-12 Role of the highest governance body in overseeing the management of impacts	
	2-13 Delegation of responsibility for managing impacts	
	2-14 Role of the highest governance body in sustainability reporting	
	2-15 Conflicts of interest	
	2-16 Communication of critical concerns	
	2-17 Collective knowledge of the highest governance body	
	2-18 Evaluation of the performance of the highest governance body	
	2-19 Remuneration policies	
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	2-27 Compliance with laws and regulations	36 - 37
	2-28 Membership associations	
	2-29 Approach to stakeholder engagement	40 - 47

GRI Standard	Disclosure	Page Numbers
Economic Performance		
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GRI 201: Economic Performance 2016	201-1 Direct economic value generated and distributed	
Anti-corruption		
GRI 3: Material Topics 2021	3-3 Management of material topics	54 - 57
GRI 205: Anti-corruption 2016	205-1 Operations assessed for risks related to corruption	
	205-2 Communication and training about anti-corruption policies and procedures	
	205-3 Confirmed incidents of corruption and actions taken	
Compliance		
GRI 3: Material Topics 2021	3-3 Management of material topics	57 - 59
GRI 307: Environmental Compliance	307-1 Non-compliance with environmental laws and regulations	
	416-2 Incidents of non-compliance concerning the health and safety impacts of products and services	
GRI 417: Marketing & Labelling	417-2 Incidents of non-compliance concerning product and service information and labeling	
	417-3 Incidents of non-compliance concerning marketing	
GRI 419: Socioeconomic Compliance	419-1 Non-compliance with laws and regulations in the social and economic area	
Supply Chain Management		
GRI 3: Material Topics 2021	3-3 Management of material topics	60 - 62
GRI 204: Procurement Practices 2016	204-1 Proportion of spending on local suppliers	
GRI 308: Supplier Environmental Assessment 2016	308-1 New suppliers that were screened using environmental criteria	
GRI 409: Forced or Compulsory Labour 2016	409-1 Operations and suppliers at significant risk for incidents of forced or compulsory labour	
GRI 414: Supplier Social Assessment 2016	414-1 New suppliers that were screened using social criteria	

GRI Standard	Disclosure	Page Numbers
Community Investment		
GRI 3: Material Topics 2021	3-3 Management of material topics	62 - 65
GRI 201: Economic Performance 2016	201-1 Direct economic value generated and distributed	
GRI 413: Local Communities	413-1 Operations with local community engagement, impact assessments, and development programmes	
Diversity		
GRI 3: Material Topics 2021	3-3 Management of material topics	65 - 69
GRI 405: Diversity and Equal Opportunity 2016	405-1 Diversity of governance bodies and employees	
Occupational Safety & Health		
GRI 3: Material Topics 2021	3-3 Management of material topics	69 - 71
GRI 403: Occupational Health and Safety 2018	403-1 Occupational health and safety management system	
	403-4 Worker participation, consultation, and communication on occupational health and safety	
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GRI 3: Material Topics 2021	3-3 Management of material topics	72 - 74
GRI 416: Customer Health and Safety	416-2: Incidents of non-compliance concerning the health and safety impacts of products and services	
GRI 417: Marketing and Labeling	417-2: Incidents of non-compliance concerning product and service information and labeling	
	417-3: Incidents of non-compliance concerning marketing communications	
GRI 418: Customer Privacy 2016	418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data	
Data Privacy & Cybersecurity		
GRI 3: Material Topics 2021	3-3 Management of material topics	75 - 76
GRI 418: Customer Privacy 2016	418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data	

GRI Standard	Disclosure	Page Numbers
Labour Practices		
GRI 3: Material Topics 2021	3-3 Management of material topics	77 - 83
GRI 401: Employment 2016	401-1 New employee hires and employee turnover	
	401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	
	401-3 Parental leave	
GRI 404: Training and Education 2016	3-3 Management of material topics	
	404-1 Average hours of training per year per employee	
	404-2 Programmes for upgrading employee skills and transition assistance programmes	
GRI 409: Forced or Compulsory Labour 2016	409-1 Operations and suppliers at significant risk for incidents of forced or compulsory labour	
GRI 412: Human Rights Assessment 2016	412-1 Operations that have been subject to human rights reviews or impact assessments	
	412-2 Employees training o human rights policies or procedures	
Water Management		
GRI 3: Material Topics 2021	3-3 Management of material topics	84
GRI 303: Water and Effluents 2018	303-5 Water consumption	
Waste Management		
GRI 3: Material Topics 2021	3-3 Management of material topics	85 - 86
GRI 306: Waste 2020	306-3 Waste generated	
	306-4 Waste diverted from disposal	
	306-5 Waste directed to disposal	
Materials		
GRI 3: Material Topics 2021	3-3 Management of material topics	87 - 88
GRI 301: Materials 2016	301-1 Materials used by weight or volume	
	301-2 Recycled input materials used	

GRI Standard	Disclosure	Page Numbers
Energy Management		
GRI 3: Material Topics 2021	3-3 Management of material topics	89 - 90
GRI 302: Energy 2016	302-1 Energy consumption within the organisation	
	302-4 Reduction of energy consumption	
Climate Change		
GRI 3: Material Topics 2021	3-3 Management of material topics	90 - 91
GRI 305: Emissions 2016	305-1 Direct (Scope 1) GHG emissions	
	305-2 Energy indirect (Scope 2) GHG emissions	
	305-3 Other indirect (Scope 3) GHG emissions	
	305-5 Reduction of GHG emissions	
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GRI 3: Material Topics 2021	3-3 Management of material topics	92 - 93
GRI 304: Biodiversity	304-1 Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	
	304-3 Habitats protected or restored	
	304-4 IUCN Red List species and national conservation list species with habitats in areas affected by operations	

01

Dato' Sri Ir Chong Ket Pen

Executive Chairman

02

Dato' Ir Kenny Chong Ther Nen

Group Managing Director

03

Dato' Sri Su-Azian @ Muzaffar Syah Bin Abd Rahman

Executive Director

BOARD OF

04
Suhaimi Bin Badrul Jamil
Senior Independent Non-Executive Director

06
Celine Chan Hooi Li
Independent Non-Executive Director

05
Tham Wei Mei
Independent Non-Executive Director

07
Khoo Siang Hsi @ Khoo Chen Nan
Independent Non Executive Director

DIRECTORS

PROFILE OF DIRECTORS

01

DATO' SRI IR CHONG KET PEN

Executive Chairman

Nationality
Malaysian

Age
70

Gender
Male

Term of Office
Director of Protasco Berhad since 18 May 2001

Board Committee
None

EDUCATION & QUALIFICATION

- Master of Philosophy (Civil Engineering), University of Birmingham, United Kingdom, 1990
- Registered Chartered Engineer with the United Kingdom's Engineering Council, 1987
- Member of the Institution of Civil Engineers, United Kingdom, 1985
- Registered Professional Engineer with the Board of Engineers Malaysia (BEM), 1985
- Member of the Institute of Engineers Malaysia (IEM), 1984
- Bachelor of Engineering (Honours), University of Malaya, Malaysia, 1979

OTHER PUBLIC COMPANY DIRECTORSHIP

None

SKILLS & EXPERIENCE

Dato' Sri Ir Chong Ket Pen is the founder of Protasco Berhad Group of Companies. He is a road pavement specialist with extensive experience in the evaluation, design, construction, and maintenance of roads and pavements. His expertise has contributed to the development of key infrastructure projects in Malaysia.

He began his career in 1979 after graduating with a Civil Engineering degree from the University of Malaya, joining the Public Works Department of Kelantan (JKR Kelantan) as a Road Design Engineer. He was later promoted to Project Engineer, where he oversaw the construction of roads and bridges in southern Kelantan. With a strong foundation in both design and site experience, he moved to the Design and Research Branch at JKR Headquarters as a Senior Research Engineer, focusing on pavement technology and innovation.

Dato' Sri enhanced his specialisation in pavement engineering by earning a Master of Philosophy (Civil Engineering) from the University of Birmingham in 1990. In 1991, he transitioned into the private sector, establishing engineering consultancy and construction firms that laid the groundwork for the formation of Protasco Berhad.

On 1 January 2020, he was appointed as the Executive Chairman of Protasco Berhad, where he continues to lead and provide strategic direction to the company.

In addition to his corporate responsibilities, Dato' Sri Ir Chong is actively involved in various cultural organisations. He is currently the Permanent Honourable President, Federal Hopo Association of Malaysia; Trustee, Malaysia Hopo Cultural Foundation; and Deputy President, KL-Selangor Chinese Assembly Hall.

02

DATO' IR KENNY CHONG THER NEN

Group Managing Director

Nationality
Malaysian

Age
44

Gender
Male

Term of Office
Director of Protasco Berhad since 1 January 2020

Board Committee
A member of the Board Risk Management Committee

EDUCATION & QUALIFICATION

- Professional Engineer, Board of Engineers Malaysia (BEM), 2010
- Corporate Member, the Institute of Engineers, Malaysia (IEM), 2010
- Master of Engineering Science, University of Melbourne, Australia, 2005
- A member of the Institute of Engineers, Australia, 2004
- Bachelor of Civil Engineering (Honours), University of Melbourne, Australia, 2003

OTHER PUBLIC COMPANY DIRECTORSHIP

None

SKILLS & EXPERIENCE

Dato' Ir Kenny Chong Ther Nen is the Group Managing Director of Protasco Berhad, a position he assumed in January 2020. He has been instrumental in driving strategic growth, operational efficiency, and sustainable innovation within the organisation.

Graduating with a Masters in Engineering in 2005, Dato' Ir Kenny Chong began his career at VicRoads Australia as a Senior Pavement Engineer in Technical Consulting. During his tenure, he gained invaluable expertise in road pavement design, construction supervision, and infrastructure assessment. Notably, he was the principal engineer in the development of a condition assessment module for major freeways across Victoria.

Upon returning to Malaysia, he joined Kumpulan Ikram Sdn Bhd as a Senior Engineer in the Infrastructure Research & Development Centre (IRDC), where he played a pivotal role in geotechnical and pavement design research. His dedication to sustainability and innovation led to his appointment as Director of Ikram Centre of Excellence for Sustainability & Green Technology (ICSG). In this capacity, he spearheaded numerous green technology initiatives, implemented sustainability best practices, and championed energy conservation and recycling programmes, including the establishment of a recycling collection centre in De Centrum City.

In 2012, Dato' Ir Kenny Chong transitioned to Protasco Berhad, initially as Special Assistant to the Group Managing Director, where he played a strategic role in business expansion and operational efficiency. His leadership and vision swiftly propelled him to higher responsibilities, leading to his appointment as Executive Director of International Business & Property Development Division in 2013.

Recognising his exceptional capabilities, he was promoted to Managing Director of Protasco Berhad's Property & Infrastructure Division in 2014. Under his leadership, the division achieved remarkable milestones, securing major Government housing projects, including the prestigious Projek Perumahan Penjawat Awam, valued at nearly RM1 billion.

Prior to his current role as Group Managing Director, he successfully led multiple business segments, including Construction, Property, Trading & Manufacturing, Corporate Security, and Special Projects. His ability to navigate complex business landscapes, drive operational excellence, and execute large-scale projects underscores his versatility and strategic acumen.

Dato' Ir Kenny Chong Ther Nen is the eldest son of Dato' Sri Ir Chong Ket Pen, Executive Chairman who is a major shareholder of Protasco Berhad.

03

DATO' SRI SU-AZIAN @ MUZAFFAR SYAH BIN ABD RAHMAN

Executive Director

Nationality
Malaysian

Age
60

Gender
Male

Term of Office
Director of Protasco Berhad since 16 December 2014

Board Committee
None

EDUCATION & QUALIFICATION

- Certificate in Business Management, Malay Chamber of Commerce (BBMC), 1988

OTHER PUBLIC COMPANY DIRECTORSHIP

None

SKILLS & EXPERIENCE

Dato' Sri Muzaffar Syah is the Managing Director of the Maintenance Division at Protasco Berhad, where he brings a wealth of experience in business development and infrastructure management.

A highly respected figure in the road maintenance industry, he is widely recognised for his strategic acumen, leadership, and ability to drive impactful collaborations between the public and private sectors.

With a deep understanding of government operations and regulatory frameworks, Dato' Sri Muzaffar Syah has successfully forged strong linkages with key government agencies, facilitating seamless cooperation in the execution of large-scale infrastructure projects. His extensive network within the public sector, coupled with his in-depth knowledge of government processes, has enabled him to navigate complex administrative requirements effectively.

Prior to joining Protasco Berhad, he served as the Chief Executive Officer of Molek Engineering Sdn Bhd from 2001 to 2012. Under his leadership, the company experienced growth, driven by his ability to foster strategic partnerships and implement innovative business strategies.

At Protasco Berhad, his role has been pivotal in strengthening the company's position as a leading player in the road maintenance sector. His ability to engage with government stakeholders, anticipate regulatory shifts, and advocate for industry advancements has been instrumental in shaping the organisation's long-term growth and contribution to national infrastructure. Dato' Sri Muzaffar Syah continues to play a key role in ensuring that Protasco Berhad remains a trusted partner in Malaysia's infrastructure development.

Dato' Sri Muzaffar Syah served as a Director at GIA Consult Sdn Bhd from 2006 to 2012 and Papan Agro Valley Sdn Bhd from 2007 to 2012.

04

SUHAIMI BIN BADRUL JAMIL

Senior Independent Non-Executive Director

Nationality
Malaysian

Age
62

Gender
Male

Term of Office
Director of Protasco Berhad since 16 December 2014

Board Committee
Chairman of the Audit Committee

EDUCATION & QUALIFICATION

- Post Graduate Diploma in Business Administration (Pass with Merit), University of Wales Trinity Saint David, 2020
- Master of Business Administration from Deakin University, Australia, 2005
- Fellow of CPA Australia, 2002
- Chartered Accountant (Malaysia) with the Malaysian Institute of Accountants, 1989
- Graduate Diploma in Accounting, Australian National University, 1986
- Bachelor of Economics (with specialisation in Accounting), Australian National University, 1985

OTHER PUBLIC COMPANY DIRECTORSHIP

None

SKILLS & EXPERIENCE

Suhaimi Bin Badrul Jamil is a highly accomplished and experienced leader with corporate expertise across multifaceted domains such as transformation, value management, restructuring, finance, risk management, turnaround management, cross-border investments, mergers & acquisitions, and strategic management.

He began his career in an international chartered accounting firm's audit and financial consulting department. He then transitioned to the corporate sector, where he held a series of senior positions, including Group Financial Controller, Group General Manager, and Group Executive Director, in a Malaysian conglomerate with diversified business interests that include property development, transportation, insurance and banking, plantation, construction, manufacturing and investment holdings.

Suhaimi's experience extends to board directorships in public listed companies and licensed financial institutions, where he contributed significantly to their growth and success. He served as Chairman of the Board for MEMS Technology Berhad and held directorship positions in Petra Energy Berhad, Credit Corporation (M) Berhad, MIMB Investment Bank Berhad, Gadek Capital Berhad, SPK-Sentosa Corporation Berhad, Intrakota Consolidated Berhad, eB Capital Berhad, and SJ Kumpulan Berhad. In addition, he served as an Executive Director with Ferrier Hodgson MH and Baker Tilly MH.

05

THAM WEI MEI

Independent Non-Executive Director

Nationality
Malaysian

Age
58

Gender
Female

Term of Office
Director of Protasco Berhad since 1 January 2018

Board Committee
A member of the Nomination & Remuneration Committee

EDUCATION & QUALIFICATION

- Diploma in Nutritional Medicine, School of Complementary and Traditional Medicine, affiliated with University College Yayasan Pahang, 2023
- Professional Certificate in Nutritional Medicine, School of Complementary and Traditional Medicine, affiliated with University College Yayasan Pahang, 2021
- Degree in Mass Communications, Universiti Sains Malaysia, 1991

OTHER PUBLIC COMPANY DIRECTORSHIP

Tham Wei Mei is a Director of Lay Hong Berhad since 31 May 2023 and CPE Technology Berhad since 17 July 2023, where she sits on the Audit, Nomination, Remuneration Committees and Nomination & Remuneration Committee respectively.

SKILLS & EXPERIENCE

Tham Wei Mei has over 30 years of experience in the fields of mass media, communications, journalism, marketing, publishing and public relations garnered through a distinguished career both domestically and internationally.

Her journey commenced in Jakarta before she embarked on a pivotal role in Phnom Penh, Cambodia, where she was a journalist and the Assistant Bureau Chief for The Cambodia Times, a prominent newspaper published in both English and Khmer languages. During her tenure in Cambodia, Tham was also a principal writer for a United Nations newsletter, The Peacekeeper.

She returned to Malaysia to serve in a US telco services company with clients in Hong Kong, Singapore, Indonesia and Thailand. Subsequently, Tham established Alpha Platform Sdn Bhd, a public relations consultancy where she served GLCs, MNCs and Government agencies, working on national issues, crisis, lobbying, mergers and acquisitions as well as corporate exercise. She was also actively involved in social media campaigns.

Beyond her professional achievements, Tham distinguishes herself as a qualified nutritional therapist and a member of the Association of Nutritional Medicine Practitioners, Malaysia, underscoring her commitment to holistic well-being and her dedication to contributing positively to society.

06

CELINE CHAN HOOI LI

Independent Non-Executive Director

Nationality
Malaysian

Age
55

Gender
Female

Term of Office
Director of Protasco Berhad since 1 January 2020

Board Committee
- Chairman of the Board Risk Management Committee
- A member of the Audit Committee
- A member of the Nomination & Remuneration Committee

EDUCATION & QUALIFICATION

- Bachelor of Business (Accounting), RMIT Melbourne Australia, 1993

OTHER PUBLIC COMPANY DIRECTORSHIP

None

SKILLS & EXPERIENCE

Celine Chan is the Regional Client Success and Business Development Director, for Transcosmos APAC. She is responsible for the overall management of global accounts in Asia Pacific, and the growth and success of the portfolio of clients.

She is a seasoned business leader in the CX space, with a proven track record of success in founding, restructuring, and scaling businesses across diverse industries. With over two decades of experience, Celine has established herself as a visionary strategist and influential leader in the Asia-Pacific region.

Throughout her career, Celine has held key executive positions in renowned organisations, driving growth, fostering innovation, and championing operational excellence. Celine played a pivotal role in rebuilding and restructuring management teams, leading to exponential business expansion and revenue growth.

Celine's passion for driving industry growth and excellence extends beyond her corporate endeavours. As Deputy President of the Contact Centre Association of Malaysia (CCAM), she actively supports the advancement of the CX industry in Malaysia, collaborating with government agencies and industry stakeholders to promote digital technology adoption and facilitate networking opportunities for members.

Celine's dedication to excellence, strategic acumen, and commitment to driving positive change have earned her recognition as a leader and influencer in the business community. Her leadership philosophy centres on fostering a culture of adaptability, innovation, and collaboration, empowering teams to achieve sustainable growth and success.

07

KHOO SIANG HSI @ KHOO CHEN NAN

Independent Non Executive Director

Nationality
Malaysian

Age
59

Gender
Male

Term of Office
Director of Protasco Berhad since 1 January 2025

Board Committee
- A Member of the Audit Committee
- A Member of Board Risk Management Committee
- A Member of the Nomination and Remuneration Committee

EDUCATION & QUALIFICATION

- Chartered Accountant registered with the Malaysian Institute of Accountants
- Bachelor of Accounting (Honours) degree from University of Malaya in 1991

OTHER PUBLIC COMPANY DIRECTORSHIP

None

SKILLS & EXPERIENCE

Upon graduation, Khoo Chen Nan joined Ernst & Young, a global audit firm, and worked there until 1993. There he gained extensive experience in auditing a wide range of industries, acquisition audits and other specialised assignments. He then joined the Berjaya Group Berhad's Group Investment division, where he was involved in various corporate finance exercises.

In 1995, he returned to the field of auditing and is currently practicing as an auditor with CN Khoo & Associates.

He was an Independent Non-Executive Director of ES Ceramics Technology Berhad, a listed company involved in manufacturing of ceramic formers and ready-mix concrete from 2005 to 2023 and LBI Capital Bhd, a listed company involved in property investment and property development from 2012 to 2024.

Notes:

a) *Save as disclosed, none of the Directors have:*
   i) *any family relationship with each other and with any substantial shareholders of the Company;*
   ii) *any conflict of interest or potential conflict of interest, including interest in any competing business with the Company or its subsidiaries; and*
   iii) *any conviction for offences, other than traffic offences, for the past five (5) years and have no public sanction or penalty by the relevant regulatory bodies during the financial year ended 31 December 2024.*

b) *Other than Dato' Sri Ir Chong Ket Pen's interests in related party transactions as disclosed in Note 43 on page 230 of the Financial Statements, none of the other Directors have conflict of interest with the Company.*

c) *The Directors' shareholdings in the Company are disclosed in the Analysis of Shareholdings section of the Annual Report*

SOUND CORPORATE GOVERNANCE

is fundamental to maintaining stakeholders' trust. Protasco strives to progressively attain higher standards of corporate governance, establishing a management culture that goes beyond regulatory compliance and industry conformance to realise our commitment to all our stakeholders.

SENIOR MANAGEMENT TEAM

1	2	3	4	5
DATO' IR KENNY CHONG THER NEN	**DATO' SRI SU-AZIAN @ MUZAFFAR SYAH BIN ABD RAHMAN**	**FREDDIE CHEONG KAH WANG**	**BENNY CHONG THER VERN**	**DENNY CHONG THER SHERN**
Group Managing Director, Protasco Berhad	Managing Director, Maintenance Division	Chief Financial Officer, Protasco Berhad	Executive Director, Engineering, Industries & Agriventures Division	Executive Director, Clean Energy Division

6

IR EDWARD KHOO MONG WEI

Executive Director, Property & Construction Division

7

DATO' RONNIE YAP KEE TIAN

Executive Director, Trading & Manufacturing Division

8

DATO' WAN IMRAN BIN WAN OMAR

Chief Executive Officer, Maintenance Division

9

DATO' TS. HAJI MOHD TAUFIK BIN HARON

Chief Executive Officer, Engineering & Consultancy Services Division

10

LENNY CHONG THER ZERN, CFA

Chief Growth & Strategy Officer, Protasco Berhad

PROFILE OF SENIOR MANAGEMENT TEAM

01

DATO' IR KENNY CHONG THER NEN

Group Managing Director, Protasco Berhad

Nationality	Age	Gender
Malaysian	44	Male

Please refer to profile of Directors on page 105.

02

DATO' SRI SU-AZIAN @ MUZAFFAR SYAH BIN ABD RAHMAN

Managing Director, Maintenance Division

Nationality	Age	Gender
Malaysian	60	Male

Please refer to profile of Directors on page 106.

Notes:
Save as disclosed, none of the Senior Management have:

a) any family relationship with any Directors and /or major shareholders of the Company;
b) any conflict of interest or potential conflict of interest, including interest in any competing business with the Company or its subsidiaries;
c) any conviction for offences, other than traffic offences, for the past five (5) years and have no public sanction or penalty by the relevant regulatory bodies during the financial year ended 31 December 2024; and
d) any directorship in any listed companies and public companies.

03

FREDDIE CHEONG KAH WANG

Chief Financial Officer, Protasco Berhad

Nationality	Age	Gender
Malaysian	58	Male

WORK EXPERIENCE

- Chief Financial Officer, Vertice Berhad, 2018
- Associate Director, Sierac Corporate Advisers Sdn Bhd, 2012
- Group Financial Controller, Malaysia Pacific Corporation Berhad, 2012
- Project Manager (Finance), Powertek Berhad, 2011
- Head Of Finance, Mahmood Security (Malaysia) Sdn Bhd, 2008
- Senior Finance Manager, Ranhill Berhad, 2005
- Financial Controller, Steel Circle Industries Sdn Bhd, 2000
- Finance & Administration Manager, Impsa Asia Sdn Bhd, 1997
- Accountant, Aggreko (Malaysia) Sdn Bhd, 1995
- Accountant, Malaysian United Manufacturing Berhad, 1993
- Executive, Pacific & Orient Insurance Company Sdn Bhd, 1989

QUALIFICATION

- Chartered Accountant, Malaysian Institute of Accountants, 1993
- Association of Chartered Certified Accountants, United Kingdom, 1993

DATE APPOINTED TO KEY SENIOR MANAGEMENT POSITION

July 2019

04

BENNY CHONG THER VERN

Executive Director, Engineering, Industries & Agriventures Division

Nationality	Age	Gender
Malaysian	41	Male

WORK EXPERIENCE

- Executive Director, Engineering, Industries & Agriventures, Ikram Paves Sdn Bhd, 2022
- Director, Tenggara Food Industries Sdn Bhd, 2022
- Director, PJP Barisan HCM JV Sdn Bhd, 2020
- Executive Director, Engineering, Education & Industries, Protasco Berhad, 2019
- Executive Director, Engineering & Consultancy Services, Education and Clean Energy, Protasco Berhad, 2018
- Executive Director, Group Corporate Office, Protasco Berhad, 2017
- Business Development Consultant, Protasco Berhad & Head of De Centrum Mall, De Centrum Development Sdn Bhd, 2016
- Managing Director, Tutti Frutti Australia Pty Ltd, 2011
- Head of After Sales Service, XiMAX Communications Sdn Bhd, 2009
- Electronic Engineer, XiMAX Communications Sdn Bhd, 2006

QUALIFICATION

- Master of Sustainable Energy, RMIT University, Melbourne, Australia, 2011
- Master of Finance, RMIT University, Melbourne, Australia, 2005
- Bachelor of Electronic Engineering (Honours), RMIT University, Melbourne, Australia, 2003
- Graduate Member, Institute of Engineers, Malaysia, 2010

DATE APPOINTED TO KEY SENIOR MANAGEMENT POSITION

January 2017

Benny Chong Ther Vern is the son of Dato' Sri Ir Chong Ket Pen, Executive Chairman who is a major shareholder of Protasco Berhad and sibling of Dato' Ir Kenny Chong Ther Nen, Group Managing Director.

05

DENNY CHONG THER SHERN

Executive Director, Clean Energy Division

Nationality	Age	Gender
Malaysian	38	Male

WORK EXPERIENCE

- Director, Clean Energy Division, Protasco Berhad, 2018
- Director, IKRAM Greentech Sdn Bhd, 2017
- Director, i2 Energy Sdn Bhd, 2017
- Director, i2 Solarpark One Sdn Bhd, 2017
- Head, Special Projects, Protasco Berhad, 2015
- Technical Head, Special Projects, Protasco Berhad, 2014
- Project Manager, C&H Engineering Consultants Sdn Bhd, 2013
- Project Engineer, C&H Engineering Consultants Sdn Bhd, 2011

QUALIFICATION

- Masters in Environmental Engineering, University of Melbourne, Australia, 2010
- Bachelor of Engineering (Civil), (Honours), University of Melbourne, Australia, 2009

DATE APPOINTED TO KEY SENIOR MANAGEMENT POSITION

January 2018

Denny Chong Ther Shern is the son of Dato' Sri Ir Chong Ket Pen, Executive Chairman who is a major shareholder of Protasco Berhad and sibling of Dato' Ir Kenny Chong Ther Nen, Group Managing Director.

06

IR EDWARD KHOO MONG WEI

Executive Director, Property & Construction Division

Nationality	Age	Gender
Malaysian	47	Male

WORK EXPERIENCE

- Executive Director, Property Development Division, Protasco Berhad, 2013
- Director, Protasco Development Sdn Bhd, 2013
- Project Director, Protasco Development Sdn Bhd, 2009
- Project Engineer, with Cardno Grogans Richards in Melbourne, Australia, 2007
- Project Manager, Mahajaya Berhad, 2004
- Structural Engineer, Sepakat Setia Perunding, 2001

QUALIFICATION

- Chartered Professional Engineer Of Australia (CP Eng), 2007
- Professional Engineer Membership, National Professional Engineering Register, Australia (NPER), 2007
- Professional Engineer Membership, Board of Engineer Malaysia (BEM), 2006
- Professional Engineer Membership, Institute of Engineer Malaysia (IEM), 2006
- Green Building Index (GBI) Accredited Facilitator, 2010
- Bachelor of Engineering (Civil), (Honours), University of Melbourne, Australia, 2000

DATE APPOINTED TO KEY SENIOR MANAGEMENT POSITION

January 2009

07

DATO' RONNIE YAP KEE TIAN

Executive Director, Trading & Manufacturing Division

Nationality	Age	Gender
Malaysian	51	Male

WORK EXPERIENCE

- Executive Director, Protasco Trading Sdn Bhd, 2014
- General Manager, Protasco Trading Sdn Bhd, 2001
- Assistant Manager, Marketing, Protasco Trading Sdn Bhd, 1997

QUALIFICATION

- B.A. (Honours) in Business Administration, University of Coventry, United Kingdom, 1995
- Certificate in Business Administration & Higher Diploma Business Administration, INTI College, Petaling Jaya, 1994

DATE APPOINTED TO KEY SENIOR MANAGEMENT POSITION

July 2001

08

DATO' WAN IMRAN BIN WAN OMAR

Chief Executive Officer, Maintenance Division

Nationality	Age	Gender
Malaysian	51	Male

WORK EXPERIENCE

- Chief Operating Officer, Maintenance Division, Protasco Berhad, 2015
- Assistant General Manager, Roadcare (M) Sdn Bhd, 2013
- Contracts Manager, Roadcare (M) Sdn Bhd, 2007
- Kerteh Area Manager, Roadcare (M) Sdn Bhd, 2007
- Quantity Surveyor, Roadcare (M) Sdn Bhd, 2006
- Contracts Officer, Roadcare (M) Sdn Bhd, 2002
- Senior Quantity Surveyor, Pasir Puteh Development Corporation Sdn Bhd, 2001
- Site Quantity Surveyor, Ranhill Bersekutu Sdn Bhd, 1999
- Assistant Contracts Manager, Pengurusan KPRJ Ranhill Sdn Bhd, 1997

QUALIFICATION

- Master of Business Administration (Construction Business), International Islamic University Malaysia, 2015
- Bachelor in Quantity Surveying, Universiti Teknologi Malaysia, 1997

DATE APPOINTED TO KEY SENIOR MANAGEMENT POSITION

September 2015

09

DATO' TS HAJI MOHD TAUFIK BIN HARON

Chief Executive Officer, Engineering & Consultancy Services Division

Nationality	Age	Gender
Malaysian	52	Male

WORK EXPERIENCE

- Chief Executive Officer, IKRAM Works Sdn Bhd, 2023
- BIM Director IKRAM, 2022
- Chief Executive Officer, Kumpulan IKRAM Sdn Bhd, 2019
- Executive Director, Group Business Development, Roadcare (M) Sdn Bhd, 2018
- Executive Director, HCM Engineering Sdn Bhd, 2016
- Chief Operating Officer, Protasco Berhad, 2014
- Chief Operating Officer, Kumpulan IKRAM Sdn Bhd, 2013
- Head of Geotechnical Forensic Unit, Kumpulan IKRAM Sdn Bhd, 2007
- Senior Engineer, Kumpulan IKRAM Sdn Bhd, 2005
- Senior Engineer (Research & Development Centre), Kuala Lumpur Infrastructure University College (KLIUC), 2003
- Geotechnical Engineer, IKRAM R&D Centre, 2002
- Geotechnical Engineer, IKRAM Runding Sdn Bhd, 2001
- Project Engineer, Geopancar Sdn Bhd, 2000
- Project Manager, Shinei Engineering & Bauer, 1999
- Site Manager, Bachy Soletanche (M) Sdn Bhd, 1998
- Trainee Engineer, Bachy Soletanche (M) Sdn Bhd, 1996

QUALIFICATION

- Professional Engineer, Board of Engineers Malaysia (BEM), 2024
- Professional Technologist, Malaysia Board of Technologists (MBOT), 2022
- Professional Engineer Membership, Institute of Engineers Malaysia (IEM), 2015
- Professional Engineer Membership, Board of Engineers Malaysia (BEM), 2014
- Bachelor in Civil Engineering, Universiti Putra Malaysia, 1997

DATE APPOINTED TO KEY SENIOR MANAGEMENT POSITION

January 2014

10

LENNY CHONG THER ZERN, CFA

Chief Growth & Strategy Officer, Protasco Berhad

Nationality	Age	Gender
Malaysian	30	Male

WORK EXPERIENCE

- Executive Director, Education Division, 2021
- Corporate Finance Manager, Protasco Berhad, 2020
- Assistant Manager, OCBC Bank, 2019
- Associate, OCBC Bank, 2018
- Office Administrator, Tutti Frutti Frozen Yogurt, Australia 2013

QUALIFICATION

- CFA®charterholder, CFA Institute, 2022
- Master of Finance, University of Melbourne, Australia, 2017
- Bachelor of Commerce, Accounting & Finance, University of Melbourne, 2015

DATE APPOINTED TO KEY SENIOR MANAGEMENT POSITION

January 2022

Lenny Chong Ther Zern is the son of Dato' Sri Ir Chong Ket Pen, Executive Chairman who is a major shareholder of Protasco Berhad and sibling of Dato' Ir Kenny Chong Ther Nen, Group Managing Director.

The Board of Directors is pleased to present the Audit Committee (AC) Report which provides insights into the manner in which the AC discharged its functions for the Company and the Group during the financial year 2024.

The AC (as a sub-committee of the Board) plays a substantial role in providing assistance to the Board in fulfilling its oversight responsibilities through review of financial information and provides an unbiased review of the effectiveness and efficiency of the Group's internal controls from an independent perspective. This is to ensure the Group's alignment to best practices and that the Group operates efficiently in a dynamic market environment.

COMPOSITION AND ATTENDANCE

The AC consists of three (3) members, all of whom are Independent Non-Executive Directors. One (1) member resigned on 31 December 2024.

The composition of the AC for the financial year 2024, along with the subsequent addition of a new member as of the date of this Annual Report, is as follows:

Members	Date of Appointment
Suhaimi Bin Badrul Jamil Chairman (Senior Independent Non-Executive Director)	16 December 2014
Dato' Tan Yee Boon Member (Independent Non-Executive Director)	7 August 2014 *(resigned on 31 December 2024)*
Celine Chan Hooi Li Member (Independent Non-Executive Director)	1 January 2020
Khoo Siang Hsi @ Khoo Chen Nan Member (Independent Non-Executive Director)	1 January 2025

The current composition of the AC and the qualifications of its members comply with the Main Market Listing Requirements (MMLR) of Bursa Malaysia Securities Berhad.

The Nomination and Remuneration Committee reviews the terms of office and performance of the AC and each of its members annually to determine whether they have carried out their duties in accordance with their terms of reference.

MEETINGS

A total of five (5) AC meetings were held during the financial year ended 31 December 2024 and the attendance of the meetings are as follows:

Members	No. of Meetings Attended
Suhaimi Bin Badrul Jamil	5/5
Dato' Tan Yee Boon	5/5
Celine Chan Hooi Li	5/5

The Company's Chief Financial Officer (CFO) was invited to attend the meetings to facilitate deliberations as well as to provide clarification on external audit issues. The meetings were also attended by Head of Corporate Assurance to present internal audit reports and upon invitation, the external auditors to discuss on the Management Letters, Audit Review Memorandum and other matters deemed relevant.

The Company Secretaries act as secretary to the AC. The Company Secretaries shall cause minutes to be entered in the books for purpose of recording all resolutions and proceedings of minutes and shall be kept at the registered office of the Company for inspection by any members of the AC or the Board. Such minutes shall be signed by the Chairman of the meeting and if so signed, shall be conclusive evidence without any further proof of the facts. Minutes of each meeting shall also be distributed to all attendees of the AC meetings and presented to the members of the Board at the Board meeting for noting. The AC, through its Chairman, shall report to the Board at the next Board meeting after each AC meeting. When presenting any recommendation to the Board, the AC will provide such background and supporting information as may be necessary for the Board to make an informed decision.

SUMMARY OF ACTIVITIES DURING THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

For the financial year 2024, the AC carried out its duties as set out in its Terms of Reference. A summary of work performed by the AC are as follows:

1) Financial Reporting

a) Reviewed the Group's quarterly unaudited financial results and audited financial statements to ensure compliance with the MMLR, applicable approved accounting standards and other statutory and regulatory requirements prior to recommending to the Board for approval.

b) Reviewed the impact of any changes to the accounting policies and adoption of new accounting standards as well as accounting treatments used in the financial statements.

c) Obtained assurance from the Chief Financial Officer that:

i) appropriate accounting policies had been adopted and applied consistently;
ii) the going concern basis applied in the audited financial statements and quarterly financial results was appropriate;
iii) adequate processes and controls were in place for effective and efficient financial reporting and disclosures under the Malaysian Financial Reporting Standards and MMLR; and
iv) the relevant financial statements for the financial year ended 31 December 2024 gave a true and fair view of the state of affairs of the Group.

2) External Audit

a) The AC was briefed by the External Auditors on the Audit Review Memorandum in respect of the audit for the financial year ended 31 December 2024.

b) The draft Audited Financial Report for financial year 2024 was tabled to the AC for review and deliberation, and recommendations were made to the Board for approval.

c) The AC reviewed and approved the draft Statement on Risk Management and Internal Control (SRMIC) for recommendation to the Board subject to clearance to be received from the External Auditors.

d) The AC conducted an assessment on the annual performance of the External Auditors and reviewed the competencies and resources, provision of non-audit services, rotation of audit partner and communication with the Management. The AC was satisfied with the External Auditors' technical competency and audit independence. As such, the Audit Committee agreed to propose for the re-appointment of External Auditors for the next financial year.

e) The AC held private meetings with the External Auditors twice during the financial year under review on 16 April 2024 and 25 November 2024 without the presence of the Management.

3) Internal Audit

a) The AC reviewed and deliberated on audit reports, follow-up reports, audit recommendations and management responses, prepared by the Internal Audit Function in Corporate Assurance Department (CAD) at AC's quarterly meetings.

b) The AC reviewed and approved the Annual Internal Audit Plan for Financial Year 2024 as proposed by the Head of Corporate Assurance, to ensure the adequacy of resources, coverage and inclusion of risk areas in the scope of review.

c) The AC reviewed the corrective actions taken by management in addressing and resolving issues as well as ensuring that all issues were adequately addressed on a timely basis.

d) The AC reviewed the Conflict of Interest (COI) declaration made by the Director and the Senior Management.

e) The AC reviewed the structure of CAD and adequacy of its resources and budget.

f) The AC reviewed the AC Report prepared by Head of Corporate Assurance for inclusion in the Annual Report 2024.

INTERNAL AUDIT FUNCTION

The internal audit function in CAD, reports to the AC and assists the Board in monitoring and managing risks and internal controls. The principal responsibility of the Internal Audit Function is to undertake an independent, regular and systematic review of the system of internal control so as to provide reasonable assurance that internal controls and risks are satisfactorily monitored and managed within the Group.

The reviews were performed in accordance with the International Professional Practices Framework (IPPF). This involved compliance to its code of ethics, commitment to ongoing learning, improvement to its skills and competency and risk-based audit works. CAD has carried out the following works during the financial year to achieve the above objectives:

i) Reviewing and assessing the effectiveness and adequacy of risk management and internal controls of various operating divisions within the Group;

ii) Conducting special reviews, audits and investigations on an ad-hoc basis as requested by the AC or the Management;

iii) Reviewing and assessing the compliance with the established policies and procedures;

iv) Identifying opportunities to improve the operations and business processes in the Group; and

v) Recommending improvements on the existing internal controls in the Group.

Total costs incurred by CAD to discharge its functions and responsibilities in 2024 were approximately RM690,000 (2023: RM524,000).

CORPORATE GOVERNANCE OVERVIEW STATEMENT

The Board of Directors of Protasco Berhad (the Board) is committed to upholding good corporate governance practices aligned with the principles, requirements, and best practices outlined in the Malaysian Code on Corporate Governance.

THE ROLES AND RESPONSIBILITIES OF THE BOARD

The Board acknowledges its accountability to the shareholders and various stakeholders of Protasco Berhad in discharging its duty and regulatory role in building a sustainability business. It holds responsibility for delivering shareholder value over the long term through the Group's culture, strategy, values and governance. The Independent Directors play a crucial role in challenging the Group's strategy and overseeing the performance of Executive Directors against goals and objectives.

The Board is further supported by the Audit, Nomination and Remuneration, and Risk Management Committees. Decisions on operational matters and the day-to-day management of the business are delegated to the Group Managing Director and senior management. These responsibilities include implementing group policies and procedures, managing clients and contractor services, monitoring financial performance and human resource management.

Board Charter

The Board has adopted a Board Charter which serves as a reference for the Directors.

The Board Charter sets out the roles, functions, composition, operations and processes of the Board, ensuring that all the Board members understand their obligations in discharging their duties and responsibilities.

The Board Charter is subject to periodic review by the Board to maintain consistency with the Board's roles and responsibilities, evolving needs of the Company and any development in prevailing legislation and practices.

The Board Charter is accessible for reference on the company's website at www.protasco.com.my

Code of Conduct

The Director's Code of Conduct establishes the rules and values that guide Directors in carrying out their duties and responsibilities to the highest ethical standards.

The Director's Code of Conduct is accessible for reference on the company's website at www.protasco.com.my

Board Information

Board papers containing the current quarter results, business plans, proposed projects, operational risks, governance updates and litigation updates are distributed in advance of the meeting to allow Directors to have sufficient time for preparation. During the meeting, the Board received presentations from the Group Managing Director and senior management on issues within the Group.

Company Secretary

Both company secretaries are qualified to act as company secretaries under Section 235 of the Companies Act 2016. They are members of the Malaysia Institute of Chartered Secretaries and Administrators (MAICSA). The company secretaries provide support to the Board in fulfilling their fiduciary duties. They are responsible for advising the Board regarding the Company's constitution, Board policies and procedures, and its compliance with regulatory requirements, codes, guidance and legislations as well as best practices of corporate governance. All Directors have access to the advice and services of the company secretaries. The company secretaries ensure deliberations of Board and Board Committee meetings are well documented and maintained at the registered office of the Company.

Promote Sustainability

The Board acknowledges that sustainability is an integral part of its business and supports environmental, economic and social sustainability in its operations.

For further information, please refer to the Sustainability Report on pages 28 to 101.

The Sustainability Policy is available for reference on the company's website at www.protasco.com.my

Professional Advice

The Company extends full assistance to the Board and provides complete access to necessary material and relevant information. With proper counsel from qualified company secretaries and others, the Board effectively fulfills its functions. Directors are also encouraged to conduct verifications, and to seek external guidance when necessary.

Whistleblowing

The Board encourages employees and associates to report suspected or known misconduct, wrongdoing, corruption and instances of fraud, waste, and abuse involving the resources of the Group.

The Whistleblowing Policy enables employees and associates to raise their concerns without fear.

The Whistleblowing Policy is available for reference at the company's website www.protasco.com.my

The following channels should be used by employees and associates to raise their concerns:

- Via email : whistleblow@protasco.com.my
- In writing to : The Chairman of the Audit Committee,
  Protasco Berhad,
  2nd Floor, Corporate Block,
  Unipark Suria, Jalan Ikram- Uniten,
  43000 Kajang, Selangor.
  Tel: 03 8738 3388

Composition of the Board

The Board aims to achieve diversity in skills, experience, knowledge and gender. The profiles of the Directors are detailed on pages 104 to 110 showcasing a diverse range of expertise and experience. Diversity within the Board promotes more robust judgment-making process particularly on matters related to strategy, performance, resources and conduct, which are crucial for the success of the Group.

Currently, there are seven (7) members of the Board comprising four (4) Independent Non-Executive Directors and three (3) Executive Directors. Among them two (2) are female Board Members, representing 28% female representation on the Board. The Diversity Policy can be accessed on the company's website at www.protasco.com.my

Appointments and Re-Election of Directors

The Nomination and Remuneration Committee (NRC) when recommending new appointments to the Board will assess the suitability of an individual considering their skills, industry experience, knowledge, character, integrity and availability to effectively discharge his or her role and responsibilities.

Candidates considered for appointment as Directors are identified through recommendations from various sources such as senior management staff, independent advisors or third party referrals.

In compliance with the Company's Constitution, at each Annual General Meeting (AGM), one-third (1/3) of Directors, or if their number is not three (3), the number nearest to one-third (1/3), shall retire from office at least once every three (3) years. The Directors to retire shall be those who have been longest in office since their last re-election or appointment.

The NRC assesses the Directors who are due for re-election at the AGM based on the Directors' Fit & Proper Policy and the outcome of the annual performance evaluation, before submitting its recommendations to the Board for approval.

The Board approved the recommendation of the NRC that three (3) Directors, Dato' Sri Chong Ket Pen, Dato' Sri Su-Azian @ Muzaffar Syah Bin Abd Rahman and Khoo Siang Hsi @ Khoo Chen Nan, all of whom are due to retire at the forthcoming AGM, be eligible to stand for re-election. All three (3) directors have offered themselves for re-election at the forthcoming AGM and their profiles can be found on pages 104, 106 and 110 of this Annual Report.

The Board had also conducted an assessment on the independence of En Suhaimi Bin Badrul Jamil (En Suhaimi), who has served as an Independent Director for more than nine (9) years. Based on the evaluation, the Board believes En Suhaimi continues to demonstrate independence in both judgment and character, and acts in the best interest of the Company. His long-standing experience provides valuable contributions to the Company. Accordingly, the Board, with the recommendation of the NRC, will propose his retention as an Independent Director to the shareholders for approval at the forthcoming AGM. En Suhaimi's profile can be found on page 107.

The Fit and Proper Policy is available for reference at the company's website www.protasco.com.my

Board Performance Evaluation

The Board conducts an annual performance evaluation which comprises Board assessment, self-assessment and assessment on board committees. The Chairman of the Nomination and Remuneration Committee will be provided with the analysis of the overall performance evaluation for deliberation during the Nomination and Remuneration Committee meeting. The Nomination and Remuneration Committee will access and identify areas requiring improvement and recommend them to the Board for action.

Independence

The NRC conducts a review and assessment of the Independent Directors' independence based on the criteria outlined in the Independent Directors Assessment checklist. Following the assessment, the NRC is satisfied that the Independent Directors maintain independence from management and are free from any business or other relationships that could impede their ability to exercise independent judgement, objectivity and to act in the best interest of the Company.

Chairman and Group Managing Director

The roles of Executive Chairman and Group Managing Director are held by separate individuals, each with distinct responsibilities outlined in the Board Charter.

The Board is led by the Executive Chairman who is responsible for ensuring the effectiveness of the governance process of the Board. He provides leadership and ensures timely discussion of all strategic and critical issues by the Board.

The Group Managing Director is responsible for the management of the Group's business, making decision and managing day-to- day operations.

Board Meetings

During the year under review, eight (8) Board meetings were held. Details of Directors' attendance are set out as follows:

	Board meeting attended in 2024
Dato' Sri Ir Chong Ket Pen	8/8
Dato' Ir Kenny Chong Ther Nen	8/8
Dato' Sri Su-Azian @ Muzaffar Bin Abd Rahman	5/8
Dato' Tan Yee Boon (resigned on 31 December 2024)	8/8
Suhaimi Bin Badrul Jamil	8/8
Tham Wei Mei	8/8
Celine Chan Hooi Li	7/8

Directors' Training

Details of training programmes attended by the Directors during the year under review, are provided below:

Name	Date	Description of Training
Dato' Sri Ir Chong Ket Pen	11 Mar 2024	Life Cycle Cost of Green Project, The Institute of Engineers, Malaysia. Leadership in Engineering: Managing Change and Driving Innovation, The Institute of Engineers, Malaysia
	7 & 8 May 2024	Common Problems and Solutions for Construction Contracts, The Institute of Engineers, Malaysia
	9-12 Dec 2024	Mandatory Accreditation Programme Part II: Leading for Impact (LIP), Institute of Corporate Directors Malaysia (ICDM)
Dato' Ir Kenny Chong Ther Nen	6 June 2024	Application of Haddon Matrix in Road Safety Engineering, The Institute of Engineers, Malaysia
	24 June 2024	Government Asset Management: Life Cycle Cost (LCC), The Institute of Engineers, Malaysia
	16 Oct 2024	Board Ethics - Growing Concerns From New Technology, Stakeholder Interests & Conflict Of Interest, Institute of Corporate Directors Malaysia (ICDM)
Dato' Tan Yee Boon	17 Jan 2024	Conflict of Interest (COI) & Related Party Transaction (RPT) – What Can Go Wrong with COIs & RPTs?, Propel Global Berhad
	7 May 2024	Section 17A MACC Act 2009 On Corruption – Adequate Procedures to Mitigate Corruption Risks, Propel Global Berhad
	18-19 Sept 2024	Mandatory Accreditation Programme Part II – Leading for Impact (LIP), Institute of Corporate Directors Malaysia (ICDM)
Suhaimi Bin Badrul Jamil	9 May 2024	Be Among the First 100 to Leverage Bursa Malaysia's New ESG Solution, Bursa Malaysia
Tham Wei Mei	10 May 2024	ICDM PowerTalk: Being Sued as an INED – A Personal Journey, Institute of Corporate Directors Malaysia (ICDM)
	4-5 Sept 2024	Mandatory Accreditation Programme Part II: Leading for Impact (LIP), Institute of Corporate Directors Malaysia (ICDM)
	20 Sept 2024	ICDM PowerTalk Series: How Can Boards Make the Most of Blockchain & Digital Assets, Institute of Corporate Directors Malaysia (ICDM)
Celine Chan Hooi Li	30 Apr 2024	Are you measuring your Sustainability Performance Right: Targets & Metrics?, Institute of Corporate Directors Malaysia (ICDM)
	10 May 2024	Being Sued as an INED – A Personal Journey, Institute of Corporate Directors Malaysia (ICDM)

During the financial year, Dato' Sri Su-Azian @ Muzaffar Syah Bin Abd Rahman was unable to attend the training due to a medical condition. Nevertheless, he remains committed to ongoing learning and will fulfill the training requirement at the earliest available opportunity.

FINANCIAL REPORTING

The Board takes responsibility to ensure that financial statements are prepared in compliance with the regulatory requirements and applicable financial reporting in Malaysia. The Board reviews financial statements, ensuring the Group employs appropriate accounting policies, supported by reasonable and prudent judgment and estimates. The Audit Committee assists the Board by scrutinising the information to be disclosed. The Group's financial statements can be found on pages 155 to 269 of this Annual Report.

RELATIONSHIP WITH THE AUDITORS

Through the Audit Committee, the Group has established a professional, transparent and appropriate relationship with the Group's auditors, both internal and external, particularly in obtaining their professional advice towards ensuring full compliance with applicable accounting standards.

External Auditors

The Audit Committee met the external auditors twice during the year under review on 16 April 2024 and 25 Nov 2024 without the presence of the Executive Directors and Management, to exchange independent views on matters which required the Committee's attention.

The Audit Committee had assessed the suitability and independence of the external auditors. In its assessment, the Audit Committee considered several factors such as adequacy of experience, resources of the firm, the professional staff assigned to the audit, and the independence of Crowe Malaysia PLT.

Crowe Malaysia PLT confirmed that they have been independent throughout the conduct of the audit engagement in accordance with the terms of all relevant professional and regulatory requirements for the financial year 2024.

Being satisfied with Crowe Malaysia PLT's performance, technical competency and audit independence, the Audit Committee recommended to the Board to put forth a proposal for the re-appointment of Crowe Malaysia PLT as external auditors for financial year ending 2025 at the forthcoming Annual General Meeting.

Internal Auditors

The Board acknowledges their responsibility for the Group's system of internal controls and reviews its effectiveness regularly via the internal audit function of the Corporate Assurance Department (CAD) which provides support to the Audit Committee in dispensing its responsibilities with regards to the adequacy and integrity of the system of internal controls within the Group. The internal audit function is independent of the operations of the Group and reports directly to the Audit Committee.

The works of the internal auditors during 2024 are set out in the Audit Committee Report on pages 119 to 121 in this Annual Report.

BOARD COMMITTEES

Audit Committee

The Audit Committee plays an active role in assisting the Board in discharging its responsibility. The full details of the composition, summary of the works of the Audit Committee are set out in the Audit Committee Report on page 119 of the Annual Report.

Board Risk Management Committee

The Board has established a Board Risk Management Committee (BRMC) for the following primary objectives:

a. maintain reliable and effective risk management practices. Such practices will identify, assess and monitor key business risks as well as safeguard and enhance the Group's assets and shareholders' investments.

b. review the effectiveness of the risk management framework in identifying and managing risks and internal processes which include but not limited to ensuring adequacy of risk management policy and infrastructure, to facilitate the implementation of action plans for risk management.

c. determine the nature and extent of significant risks which the Group is willing to take in achieving its strategic objectives and ensuring the execution and implementation of the Group's sustainability strategy. These will allow the Group to continue generating economic value while reducing our environmental and social footprint, by monitoring the progress of the Group's sustainability initiatives through an effective governance framework against the set targets.

A Group Risk Management Committee (GRMC) assists the BRMC in achieving its primary objectives. GRMC comprises senior management staff from the Group CAD and Group Corporate Office.

Significant risk, policy and procedure matters that require the attention of the Board, are reported to the Board Risk Management Committee.

The Statement on Risk Management and Internal Control is set out on page 129 of this Annual Report.

Nomination And Remuneration Committee

The Nomination and Remuneration Committee (NRC) supports the Board in various aspects, including Board appointments, succession planning, evaluate performance of the Directors and Board Committees, and reviews of the remuneration of the Board of Directors.

A summary of the NRC's activities during the year is set out below:

- Reviewed the performance of the Directors and Board Committees;
- Reviewed the terms of office and performance of Audit Committee and each of its members;
- Reviewed the training needs of Directors;
- Reviewed the Directors standing for re-election at the forthcoming Annual General Meeting;
- Assessed the independence of the Independent Directors; and
- Reviewed appointment of new Director and the composition of the Board Committees

Details of the Directors' Remunerations for the financial year ended 31 December 2024 are as follows:

	Director's Fee		Salary/Bonus/Benefits		
	Protasco Bhd (RM)	Subsidiary (RM)	Protasco Bhd (RM)	Subsidiary (RM)	Total
Dato' Sri Ir Chong Ket Pen	-	-	784,800	808,800	1,593,600
Dato' Ir Kenny Chong Ther Nen	-	-	357,900	383,600	741,500
Dato' Sri Su-Azian @ Muzaffar Syah Bin Abd Rahman	-	-	-	861,200	861,200
Dato' Tan Yee Boon (resigned on 31 December 2024)	51,000		8,500		59,500
Suhaimi Bin Badrul Jamil	51,000		7,000		58,000
Tham Wei Mei	51,000		5,000		56,000
Celine Chan Hooi Li	51,000		8,500		59,500

Top five (5) Senior Management's Remuneration for the financial year ended 31 December 2024 are as follows:

	Senior Management	Remuneration Band
1.	Dato' Prof Dr Noor Inayah Binti Ya'akub (resigned on 31 December 2024)	RM400,000 – RM450,000
2.	Freddie Cheong Kah Wang	RM400,000 – RM450,000
3.	Dato' Wan Imran Bin Wan Omar	RM400,000 – RM450,000
4.	Dato' Ts Hj Mohd Taufik Bin Haron	RM400,000 – RM450,000
5.	Dato' Ronnie Yap Kee Tian	RM350,000 - RM400,000

CORPORATE DISCLOSURE

To ensure quality disclosure, the Company has a Corporate Disclosure Policy to ensure accurate, clear and timely disclosure of material information and take reasonable steps to ensure that the general public has access to such information. The Company is committed to communicate the Company's strategy, operational performance, financial results, and other material developments to Bursa Malaysia, analysts, investors, shareholders, and other stakeholders in a timely, open and comprehensive manner.

The Corporate Disclosure Policy is available at www.protasco.com.my

GROUP CORPORATE WEBSITE

The Board is committed to leverage on information technology for effective dissemination of information in a timely manner. Protasco's corporate website (www.protasco.com.my) provides easy access to information about the Group. Information available on the corporate website includes Protasco's corporate profile, Board of Directors and Group senior management, financial results, annual reports, Group newsletters and latest corporate news.

In addition, stakeholders can obtain regulatory announcements made by Protasco to Bursa Malaysia at www.bursamalaysia.com.

ANNUAL REPORT

The Company's annual report provides a comprehensive report on the Group's operations and financial performance for the year under review. It provides full disclosure and is in compliance with the relevant regulations to ensure greater transparency. An online version of the Annual Report is also available at Protasco's corporate website.

ANNUAL GENERAL MEETING

The AGM is the main delivery channel for dialogue with all shareholders. They are encouraged and are given opportunities to enquire about the Group's activities and prospects as well as to communicate their expectations and concerns.

The notices of AGM are sent out to shareholders at least 28 days before the date of the meeting, exceeding the 21 days requirement under the Companies Act 2016 and Listing Requirements.

Shareholders who are unable to attend, are allowed to appoint proxies to attend and vote on their behalf. Additionally, Shareholders are welcome to reach out to the Company with any queries they may have.

Shareholders are encouraged to be aware of their rights with regards to the convening of general meetings, proxy appointments, and access to information. Detailed information regarding shareholders' rights can be found at www.protasco.com.my

In line with the Listing Requirements aimed at reinforcing good Corporate Governance Practice, the Company implemented electronic poll voting during General Meetings. An independent party is appointed to verify the votes cast at the AGM.

INVESTOR RELATIONS

The Company's Investor Relations Department engages in periodic dialogues with analysts and shareholders to provide updates on business performance and corporate developments.

In addition, the Company releases its financial results and other mandatory announcements on a timely basis and responds promptly to enquiries from investors, regulators, the public and financial analysts.

To further assist its stakeholders, the Company maintains a dedicated website, www.protasco.com.my. Additionally, the Company has subscribed to Bursa Malaysia's website linking service, enabling concurrent retrieval of the Company's announcements made to Bursa Malaysia.

Investor Relations Contact:
Freddie Cheong Kah Wang
Tel: 603-8738 3388 Email: freddie@protasco.com.my

This statement is prepared in compliance with the Main Market Listing Requirements and it should be read together with the Corporate Governance Report 2024 of the Company, which is available on Protasco Berhad's website at www.protasco.com.my

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

The Board of Directors (the Board) is committed to maintain a sound system of risk management and internal control of the Group and is pleased to present its Statement on Risk Management and Internal Control (Statement) for the financial year ended 31 December 2024. This Statement is prepared pursuant to paragraph 15.26(b) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad (Listing Requirements) in accordance with the Malaysian Code of Corporate Governance (MCCG) and as guided by the latest Statement on Risk Management and Internal Control: Guidelines for Directors of Listed Issuers (the Guidelines).

This statement describes the nature and scope of the risk management and internal control of the group except for associate companies.

OBJECTIVES

- Maintain a reliable and effective risk management practices. Such practices will identify, assess and monitor key business risks and to safeguard and enhance the Group's assets and shareholders' investments; and
- Review the effectiveness of the risk management framework in identifying and managing risks and internal processes which include but not limited to ensuring adequacy of risk management policy and infrastructure to facilitate the implementation of action plans for risk management.

ROLES & RESPONSIBILITIES

A sound framework of risk management and internal control is fundamental for good corporate governance. This includes the key role of the Board, its Board Committee and Senior Management in relation to governance, risk management and internal control:

(1) The Board

The Board is cognisant of its overall responsibility and accountability for maintaining a sound system of risk management and internal control processes to safeguard the shareholders' wealth and the Group's assets by keeping abreast with developments in areas of risk and governance. In view of limitations inherent in any process, and that risks cannot be eliminated completely, the Group has established a risk management and internal control system designed to manage and mitigate risks within tolerable levels. The system of internal control refers to the processes and measures established by the Board and Management to identify, assess, and manage risks, thereby enhancing the likelihood of achieving the company's strategic and operational objectives. This system provides reasonable but not absolute assurance against material misstatement, loss or fraud.

The Board affirms its responsibility in reviewing and monitoring the adequacy, effectiveness and integrity of the Group's system of risk management and internal control, including adhering to the applicable laws, regulations, rules, directives and guidelines. The Board approves and monitors the Group's risk management strategy that oversees its implementation. The Board is supported by the Board Risk Management Committee (BRMC) and the Audit Committee (AC) in evaluating the adequacy and effectiveness of risk management framework and the internal control system.

The Board is satisfied that the Group has put in place a systematic risk management framework entailing processes to identify, evaluate and monitor principal risks, and implemented adequate internal control to manage the risks across the Group.

(2) Board Risk Management Committee

The BRMC is established to uphold risk oversight within the Group. It is chaired by an Independent Non-Executive Director, who is neither the Chairman of the Board nor the Chairman of AC.

The BRMC provides a strategic direction in terms of risk management and mandates the Risk Management Committee (RMC) to oversee the establishment and implementation of the risk management process.

The composition of the member of BRMC for the financial year 2024, alongside with the subsequent resignation and addition of one (1) new member as of the date of this Annual Report, is as follows:

Members	Directorship	Roles
Celine Chan Hooi Li	Independent Non-Executive Director	Chairman
Dato' Tan Yee Boon *(resigned on 31 December 2024)*	Independent Non-Executive Director	Member
Dato' Ir Kenny Chong Ther Nen	Group Managing Director	Member
Khoo Siang Hsi @ Khoo Chen Nan *(appointed on 1 January 2025)*	Independent Non-Executive Director	Member

The responsibilities of the BRMC in respect of risk management and internal control are as follows:

- Oversee and recommend risk management strategies, framework and policies and procedures of the Group;
- Review and recommend changes as needed to ensure that the Group has in place at all times a Risk Management policy which addresses the strategic, operational, financial and compliance risks;
- Oversee the implementation and maintenance of a sound risk management framework which identifies, assesses, manages and monitors the Group's business and other risks;
- Develop and inculcate a risk awareness culture within the Group;
- Review the adequacy and effectiveness of the said risk management and internal control systems;
- Oversee specific risk management concerns raised by business units; and
- Review the Group's risk profiles and evaluate the measures taken to mitigate business and other risks.

The BRMC's responsibility is guided by the Terms of References which is approved at the Board level. It does not review the risk management activity of associates where the Group does not have any direct control over their operations. Notwithstanding the above, the Group's interests are assured through board representation in the respective associates and the receipt and review of the management accounts and enquiries thereon.

The BRMC has established ongoing oversight processes for identifying the principal risks impeding the achievement of the organisation's goals and objectives:

- To evaluate the nature and extent of those risk;
- To manage them efficiently, effectively and economically; and
- To regularly review and taking into account changes in the regulatory and business environment as mentioned in the Guidelines.

In accordance with the Guidelines, the Board assures that this process has been in place for the year under review and up to the date of approval of this Statement for inclusion in the Annual Report.

(3) The Risk Management Committee

The management, through its RMC, assists the BRMC in ensuring a sound and robust risk management framework, processes and practises to achieve the Group's strategic objectives and to safeguard shareholders' investments and Group's assets.

The RMC is responsible for the implementation of the approved framework, policies and procedures pertaining to risk management to ensure that business strategies and risk management are aligned.

The members of the RMC for the financial year 2024, with subsequent retirement and addition of new members as of the date of this Annual Report, are as follows:

Members	Designation
Group Managing Director	Chairman
Head of Corporate Assurance	Committee Member cum ERM Coordinator
Head of Corporate Office	Committee Member
Director, Investor Relations & General Administrations	Committee Member *(retired on 23 October 2024)*
Head of Strategic Planning & Sustainability	Committee Member *(appointed on 22 January 2025)*

(4) The Corporate Assurance Department

The Corporate Assurance Department (CAD) is an independent function who provides objective assurance and consulting activity designed to add value and improve the Group's operations. It assists the Group in achieving its objectives by adopting a systematic, disciplined approach to evaluate and improve the effectiveness of risk management, internal control and governance process.

It also provides assessments as to whether risks, which may hinder the Group from achieving its objectives are being adequately evaluated, managed and controlled. It further evaluates the effectiveness of the governance, risk management and internal control framework and facilitates enhancement, where appropriate.

The CAD through its Internal Audit Function reports functionally to the AC, and administratively to the Group Managing Director (GMD).

RISK MANAGEMENT FRAMEWORK

The Group Enterprise Risk Management Framework

The Group has established the Group Enterprise Risk Management Framework to provide guidelines on the effective management of risks through the application of Enterprise Risk Management (ERM) processes at varying levels and within the Group.

The framework ensures that the risk-related information derived from the ERM process is adequately reported and used as a basis for decision making and is accounted for at all relevant organisational levels. The framework shall be continuously assessed and improved to ensure its adaptability with the changing business environment.

The framework outlines:

- Policy and governance structure for the ERM within the Group;
- Risk management roles and responsibilities within the Group and outlining procedures to mitigate risks;
- Methodology for risk assessment and risk response; and
- Reporting framework to ensure clear communication for all risk management activities and reporting.

Internal Control

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

1. Control Environment

- The Board demonstrates a commitment to integrity and ethical values.
- The Board established the BRMC, majority of whom are Independent Non-Executive Directors and AC comprises of entirely Independent Non-Executive Directors. The BRMC and the AC primarily assist the Board in reviewing the organisational risk and internal control with the assistance of the RMC and Internal Audit Department respectively.
- Well-defined lines of responsibilities for the Board, management and each operating unit within the Group; including authorisation level on day-to-day operation.
- The Board and Management holds individual risk owners accountable for their internal control procedures and policies.

2. Integrity & Compliance

- The Group has developed and adopted the Integrity and Anti-Corruption Policy as part of the Group's Anti-Bribery Management System which has been designed to align with the requirements set out in the provision of section 17A under the Malaysian Anti-Corruption Commission (MACC) Act 2018.
- The Group is committed to conduct all of its business in an honest and ethical manner by implementing and enforcing systems that ensure briberies and corruptions are prevented.

3. Risk Assessment

- The Management of each division are responsible to assess, review and update their division's risk profile.
- The Management to identify and assess changes that could significantly impact the system of internal control.

4. Control Activities

- Each operating unit undertakes business planning and budgeting process each year which are appraised at regular interval.
- The Group review, assess and update the internal control procedures and policies and to improve such policies that have been established and put these policies into action.

5. Information and Communication

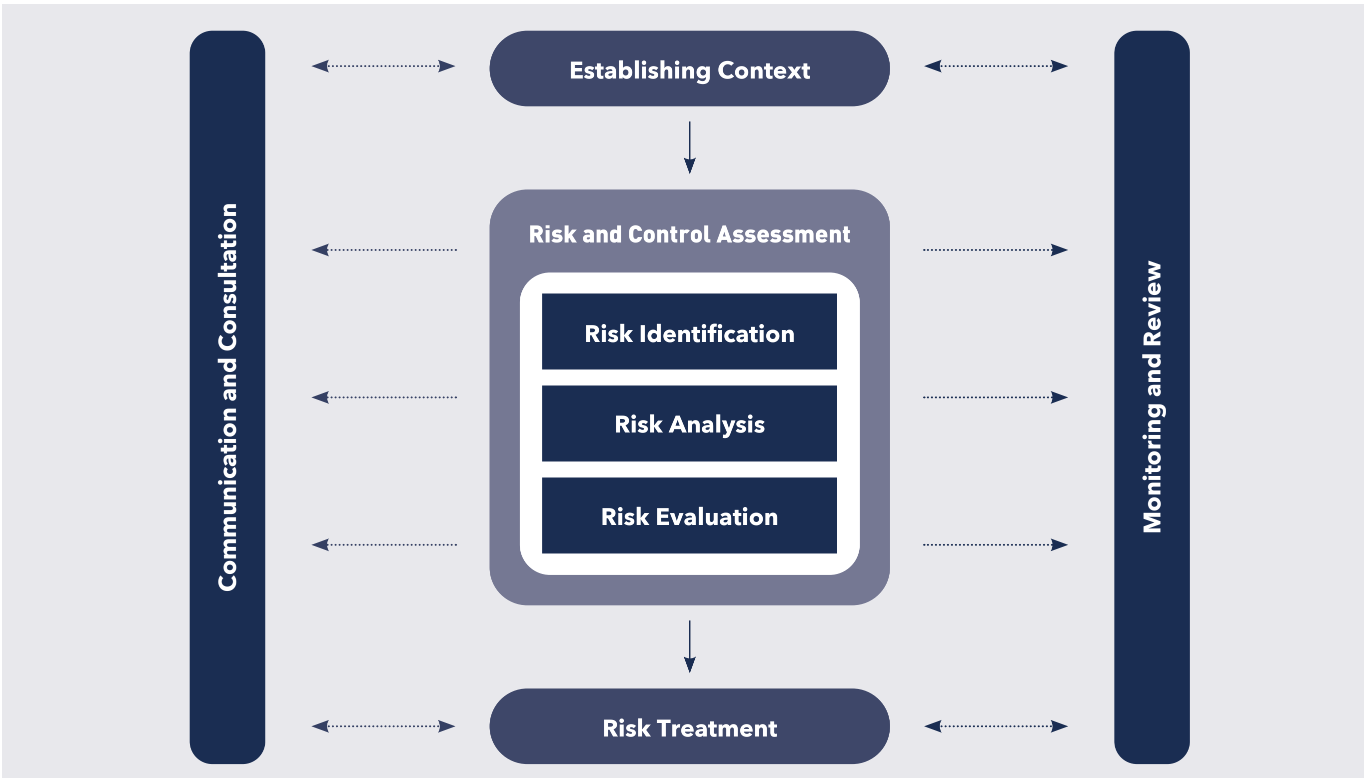
- The Business Risk Profile, where identified risks are recorded, is updated on an ongoing basis and presented to the RMC on a half-yearly basis.
- Significant risk matters that require the attention of the Board are reported to the BRMC and the AC.
- The Group's quarterly financial performance is presented to the Board for review and approval.

6. Monitoring

- The Group performs and evaluates internal control system (e.g. Internal Audit) to ascertain its adequacy and effectiveness.
- The Group performs follow up on the Management's response and action plans stated in the reports from tests and evaluations carried out.

RISK MANAGEMENT PROCESS

The objective of the risk management process is to develop an individual risk profile where risk assessment is conducted from risk identification, analysis, and evaluation of existing controls. The following diagram depicts the risk management approach in the Group:



The risks identified are evaluated based on their potential impact on the Group, the likelihood of occurrence as well as the effectiveness of available control procedures. The Business Risk Profile, where identified risks are recorded, is reviewed and updated on an ongoing basis. The review and update of the risk profile includes identification of risks resulting from changes in business environment, both external and internal.

The group adopts the following risk rating matrix to articulate the relationship between risk impact and likelihood: -

	Impact				
Likelihood	**Insignificant**	**Minor**	**Moderate**	**Major**	**Catastrophic**
Almost Certain	Moderate	High	High	Extreme	Extreme
Likely	Low	Moderate	High	High	Extreme
Possible	Low	Moderate	Moderate	High	High
Unlikely	Trivial	Low	Moderate	Moderate	High
Rare	Trivial	Trivial	Low	Low	Moderate

Each business unit's identified risks are presented and forums to the RMC for their deliberation and tabled bi-annually to the BRMC. The risk profile/register, where identified risks are recorded, reviewed and updated on an ongoing basis.

Risk Assessment Reporting and Initiative

Based on the enhanced Key Risk Register exercise conducted in prior year FY2023, the CAD facilitated risk discussions with the respective risk owners at divisional level during the current financial year, to identify the Key Risk Indicator (KRI) for each identified Key Risk. The KRIs were identified by understanding business objectives, risk drivers, and existing controls.

During the current financial year, the CAD conducted a KRI Analysis & Assessment based on the identified Key Risk approved by the RMC and BRMC in FY2023. This assessment covered key divisions, including Property, Hotel & Hospitality, Construction, Education, Clean Energy, Maintenance, Trading & Manufacturing, and Engineering & Consultancy.

The objective of identifying and analysing the KRI is to monitor the sign and indicator of any potential risk before the risk materialises. The analysis will also provide indicator on how well a Key Risk control measure is performing in mitigating or managing a specific Key Risk. It helps the Risk Owner and RMC to evaluate whether the implemented risks controls are effective in reducing the likelihood or impact of the identified Key Risk.

The analysis also provided valuable insights into the changing risk landscape, helping the RMC and Risk Owners assess the Net Risk Rating with CAD's facilitation. This formed the basis for informed decision-making and aligning risk responses with the Company's risk appetite.

Following the determination of the Net Risk Rating, Risk Mitigation Strategies and Risk Action Plans were formulated, refined, and subsequently deliberated for concurrence at the RMC level. Where applicable, CAD provided recommendations to enhance the effectiveness of internal control systems and governance processes. These recommendations were thoroughly reviewed and agreed upon by the respective divisions, and committed to implementing the suggested control measures. Thereafter the result was tabled to BRMC level for approval.

The continuous enhancement of risk management practices reflects the Company's commitment to maintaining robust governance, mitigating potential risk, and safeguarding long-term business sustainability.

THE GROUP'S RISKS

Key risks assessed by the CAD and discussed with the Risk Owners, the RMC, and the BRMC during the current financial year are summarised below. These risks are still relevant, mitigation responses are in place and continuously monitored to mitigate risk exposures:

Division	Key Risk	Description/Impact	Mitigation Measures
Hotel & Hospitality	Intense Market Competition	Competition from nearby hotels of similar size and capacity, may impact occupancy rates and revenue.	• Increase sales through proactive outreach including business calls, sales blitzes and targeted transportation offers. • Collaborating with training providers and travel agencies while revamping room packages. • Negotiating deals with government agencies and private sectors, while partnering with influencers and travel agencies.
	Business disruption from system failure and power outage	Unexpected system failures or power outages, can disrupt business operation, affecting guest experience which may result in declining revenue.	• Install an Uninterruptible Power Supply (UPS) to support critical functions, including servers, front office, and housekeeping operations. • Develop and enforce Standard Operating Procedures (SOPs) for power outage management, including UPS usage. • Enhance data security through regular backups and quarterly restoration tests.

Division	Key Risk	Description/Impact	Mitigation Measures
Hotel & Hospitality	Business disruption from security breaches and cybersecurity threats	Cyber-attacks, data theft, and unauthorised access may lead to operational disruption and reputation damage.	• Strengthen cybersecurity by implementing regular software updates, using reliable antivirus programs, conducting monthly log reviews, and performing surprise security audits. • Provide ongoing staff training on cybersecurity best practices and continuously update security policies to address emerging threats. • Strengthen physical security by conducting regular drills for bomb threats, terrorist attacks, and riots; holding monthly coordination meetings with law enforcement; installing CCTV in critical areas; and organising weekly SOPs review sessions for security personnel.
	High employee turnover	High staff attrition due to low job satisfaction and competitive external offers may impact service quality and operational efficiency.	• Improve staff retention and satisfaction by focusing on career growth, fair workloads, open communication, training, competitive benefits, team engagement, performance reviews, succession planning, and learning from exit interviews.
Education	Financial sustainability for the university	Risk associated with revenue collection and cost control which has direct impact on financial stability.	• Strengthen marketing and branding teams for better outreach. • Identify and engage potential franchisees while expanding partnerships to enhance programme offerings. • Improve financial sustainability by addressing outstanding payments and implementing initiatives such as targeted student enrolment goals, philanthropy-driven activities, and strategic partnerships.
	Inability to meet student enrolment targets	Failure to achieve targeted student enrolment for the academic period leading to underutilised resources and potential impacts on institutional growth. Agent's inability to bring in student. Limited marketing and branding effort that hinders ability to attract student.	• Enhance marketing and branding effort by recruiting skilled professionals and outreach strategies. • Integrate AI technology into programs and teaching methods to enhance student engagement and learning experiences. • Introducing MBA online and offering Conditional Offer Letters (COL) for SPM, ICGSE, and other exam leavers, to boost student numbers.

Division	Key Risk	Description/Impact	Mitigation Measures
Trading & Manufacturing	Dependency on intercompany sales	Over reliance on inter-co related sales from Roadcare (M) Sdn Bhd (RC) makes the business vulnerable if RC concession contract is not renewed or renewed with much lower order book upon expiry.	• Closely monitor the tendering process to mitigate delays by aligning resources and planning proactively. • Plan and coordinate the estimation trial to avoid setbacks and meet client expectations.
	High dependency on single product	Heavy reliance on bitumen and quarry products poses a turnover risk due to potential supply disruptions and market fluctuations.	• Develop a structured plan for new products. • Identify and engage specific clients to ensure focused marketing and sales efforts. • Establish a clear timeline with milestones for product development.
Maintenance	Poor performance and services to client	Sub-standard performance and services to client i.e. Government, may lead to non renewal of the concession contract.	• Ensure a high STAR rating by consistently delivering quality work to secure future concession contract • Strengthen the concession renewal proposal by offering value-added services. • Establish strategic panels in key areas to ensure fast response times.
	Price escalation driven by market fluctuations	Price escalation in construction materials, leading to increased construction costs and potential financial strain.	• Continuously monitor construction material price fluctuations and implementing cost control strategies, including a standardised build-up rate method for subcontractors. • Procure material directly for subcontracted projects to leverage economic of scale. • Explore alternative materials such as special mix to replace high cost material not covered in the Schedule of Rate (SOR).
	Non-compliance with Health, Safety, and Environmental (HSE) regulations	Failure to comply with HSE regulations may result in fines, legal repercussions, and unsafe working conditions.	• Conduct regular training, toolbox talks, and pre-commencement meetings to educate subcontractors. • Enforce penalties on subcontractors for non-compliance, in line with contractual terms.
Clean Energy	Unfavourable changes in government policies, and incentives	Changes in government policies, programmes, or incentives may affect project revenue and profit margins. This includes reduced quota & non - renewal of Net Energy Metering (NEM) Scheme as well as the removal of tax incentive for clients.	• Capitalise on role as the Engineering, Procurement, Construction, and Commissioning (EPCC) contractor for a Large Scale Solar No 5 (LSS5) programme called by Energy Commission to drive stable business growth and revenue streams. • Strengthen partnerships to expand market opportunities.
	Supply chain disruption	Supply disruptions may cause project delays, increased costs, and operational challenges.	• Obtain advance notifications from suppliers to manage procurement efficiently. • Place early orders to avoid shipment delays. • Collaborate with alternative suppliers and ensure reliable supplies. • Incorporating buffer in the projected timeline as contingencies.

Division	Key Risk	Description/Impact	Mitigation Measures
Engineering & Consultancy Services	Revenue continuity due to Client's Contract Expiry exposure	Potential decline in future project awards or renewals due to the expiry of key clients' concession contract.	• Secure new projects and expand market opportunities through technology adoption, Geographical Information System (GIS) services, and Building Information Modeling (BIM) development. • Strengthen strategic collaborations with key stakeholders to enhance business opportunities. • Enhance client engagement through Memorandum of Understanding (MOUs) and Memorandum of Agreement (MOAs), attending industry events and actively promoting services.
	Challenges in cash flow management and debt collection	Limited cash flow to meet short-term liabilities due to long-overdue receivables and delayed client payments.	• Strengthen debt collection efforts by continuing the proactive collection exercise to reduce outstanding receivables. • Regularly monitor and compare receivable balances from external clients and intercompany transactions through timely follow-ups and consistent collections effort.
Property Development	Developer Bank Empanelment Risk	Delays in obtaining regulatory approvals may impact the bank empanelment process, potentially disrupting project funding and limiting buyers' access to financing, which could affect property sale.	• Collaborate with the relevant authorities under Dasar Perumahan Negara (DPN) to review and refine housing policy conditions, ensuring a balance between regulatory compliance and enhanced profitability for sustainable development. • Expedite regulatory approvals for ongoing projects, as these are prerequisites for bank empanelment.
	Low occupancy rate in the mall	Low tenant occupancy could reduce rental income and negatively impact the property's financial profitability.	• Identify and secure suitable tenant replacements to maintain occupancy levels and rental income by collaborating with leasing agents. • Explore future opportunities in AI and health-focused projects while prioritising financial stability and preventing further deterioration.
	High aging rental collections	Late rental payments and high outstanding balances from tenants may cause cash flow disruptions and negatively impacting profitability due to potential impairment of receivables.	• Conduct asset searches and legal actions to recover overdue rental payments from defaulting tenants including account freezing, if necessary. • Implement a proactive rental collection strategy to minimise future payment delays.
Construction	Failure to secure contracts and achieve targeted Profit before Tax (PBT)	High tender submission prices may limit contract awards, reducing project wins and impacting revenue growth.	• Focus on securing project-related agreements to minimise risks and improve contract certainty. • Adopt a selective tendering approach by avoiding highly competitive open tenders to improve success rates. • Strengthen partnerships with Bumiputera contractors to enhance opportunities for winning Bumiputera-related tenders.
	Insufficient cash flow	Cash flow shortages due to unplanned advances, payment delays, rising loan interest rates, and restricted cash may result in budget constraints and operational disruptions.	• Explore alternative financial strategies to improve cash flow, including asset disposal and better credit line management. • Assess and address potential non-claimable costs related to contractual obligations, consultant supervision fees, and road maintenance.

REVIEW OF THE STATEMENT BY EXTERNAL AUDITORS

Pursuant to paragraph 15.23 of the Listing Requirements, the External Auditors have reviewed this Statement. Their review was performed in accordance with the Audit and Assurance Practice Guide 3: Guidance for Auditors on Engagements to Report on the Statement on Risk Management and Internal Control included in the Annual Report, issued by the Malaysian Institute of Accountants. Based on their review, nothing has come to their attention that causes them to believe this Statement is not prepared, in all material respects, in accordance with the disclosures required by paragraph 41 and 42 of the Statement on Risk Management and Internal Control: Guidelines for Directors of Listed Issuers and Practices 10.1 and 10.2 of the MCCG to be set out, nor is this Statement factually incorrect.

CONCLUSION

The Board has received assurance from the Group Managing Director and Chief Financial Officer that the Company's risk management and internal control system is operating adequately and effectively in all material aspect.

For the financial year under review, the Board is of the opinion that the Group's system of internal controls is satisfactory. Any deficiencies identified have been or are being addressed accordingly. Notwithstanding this, review of the internal control systems will be continuously carried out to ensure the ongoing effectiveness of the system.

OTHER COMPLIANCE INFORMATION

1. AUDIT AND NON-AUDIT FEES

The details of total audit and non-audit fees paid/payable to the external auditors of the Group for the financial year ended 31 December 2024 were as follows:

	RM'000
Audit Fees	955
Non-Audit Fees *	8

* *Fees incurred primarily in relation to assurance related services.*

2. MATERIAL CONTRACTS

Other than as disclosed in Note 43 of the Financial Statements, there were no material contracts entered into by the Company or its subsidiaries involving Directors' and major shareholders' interests since the end of the previous financial year.

3. UTILISATION OF PROCEEDS FROM CORPORATE PROPOSALS

There were no proceeds raised from any corporate proposal during the financial year ended 31 December 2024.

4. OPTIONS, WARRANTS AND CONVERTIBLE SECURITIES

There were no options, warrants, and convertible securities being issued during the financial year.

5. RECURRENT RELATED PARTY TRANSACTIONS

Details of the Recurrent Related Party Transactions are disclosed in Note 43 of the Financial Statements.

6. GOING CONCERN STATEMENT

Having exercised due and reasonable enquiry into the affairs on the Company, the Board is satisfied with the Company and shall proceed to operate as a going concern business in the foreseeable future.

DIRECTORS' RESPONSIBILITY STATEMENT

for the Audited Financial Statements

Paragraph 15.26(a) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad requires the Board of Directors (the Directors) to make a statement explaining the Directors' responsibility for preparing the annual audited financial statements.

The Directors are required by the Companies Act 2016 (the Act) to ensure that the financial statements give a true and fair view of the financial position of the Group and of the Company as at the end of each financial year, and of their financial performance and cash flows for that financial year then ended.

The Directors are satisfied that in preparing the financial statements of the Group and of the Company for the financial year ended 31 December 2024, they have taken the following measures:

- adopted and reviewed the appropriate accounting policies that are consistently applied;
- made judgements and estimates that are reasonable and prudent;
- ensure compliance with the application of approved accounting standards in Malaysia; and
- prepared it on the assumption that the Company and the Group will operate as going concern.

The Directors have the responsibility for ensuring that the Group and the Company maintains proper accounting and other records, which disclose with reasonable accuracy the financial position of the Group and the Company and in compliance with the Act.

In addition, the Directors have also taken the necessary steps to safeguard the assets of the Group and of the Company and to prevent and detect fraud and other irregularities.

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DIRECTORS' REPORT

The Directors hereby submit their Annual Report and the audited financial statements of the Group and of the Company for the financial year ended 31 December 2024.

PRINCIPAL ACTIVITIES

The Company is principally engaged in the business of investment holding and the provision of management services to its subsidiaries. The principal activities of the subsidiaries are set out in Note 5 to the financial statements. There have been no significant changes in the nature of these activities during the financial year.

RESULTS

	The Group RM'000	The Company RM'000
Profit after taxation for the financial year	55,456	1,162
Attributable to:-		
Owners of the Company	25,373	1,162
Non-controlling interests	30,083	-
	55,456	1,162

DIVIDENDS

No dividend was recommended by the directors for the financial year.

RESERVES AND PROVISIONS

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

ISSUES OF SHARES AND DEBENTURES

During the financial year:-

(a) there were no changes in the issued and paid-up share capital of the Company; and

(b) there were no issues of debentures by the Company.

TREASURY SHARES

The shareholders of the Company, by a resolution passed in the last Annual General Meeting held on 30 May 2024, renewed their approval of the Company's plan to repurchase its own shares. The Directors of the Company are committed to enhance the value of the Company for its shareholders and believe that the repurchase plan can be applied in the best interest of the Company and its shareholders. The shares purchased are being held as treasury shares in accordance with Section 127(6) of the Companies Act 2016 and are presented as a deduction from equity.

During the financial year, there were no repurchase of ordinary shares from the open market and no resale of issued ordinary shares that were held as treasury shares.

As at 31 December 2024, the Company held as treasury shares a total of 13,656,900 (2023 - 13,656,900) of its 495,392,310 (2023 - 495,392,310) issued and fully paid-up ordinary shares. The treasury shares are held at a carrying amount of RM3,752,841 (2023 - RM3,752,841). The details of the treasury shares are disclosed in Note 24 to the financial statements.

OPTIONS GRANTED OVER UNISSUED SHARES

During the financial year, no options were granted by the Company to any person to take up any unissued shares in the Company.

BAD AND DOUBTFUL DEBTS

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

At the date of this report, the Directors are not aware of any circumstances that would require the further writing off of bad debts, or the additional allowance for impairment losses on receivables in the financial statements of the Group and of the Company.

CURRENT ASSETS

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

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

VALUATION METHODS

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

CONTINGENT AND OTHER LIABILITIES

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

(a) any charge on the assets of the Group and of the Company that has arisen since the end of the financial 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 financial year.

No contingent or other liability of the Group and of the Company has become enforceable or is likely to become enforceable within the period of twelve months after the end of the financial year which, in the opinion of the Directors, will or may substantially affect the ability of the Group and 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 AN UNUSUAL NATURE

The results of the operations of the Group and of the Company during the financial year were not, in the opinion of the Directors, substantially affected by any item, transaction or event of a material and unusual nature.

There has not arisen in the interval between the end of the financial year and the date of this report any item, transaction or event of a material and unusual nature likely, in the opinion of the Directors, to affect substantially the results of the operations of the Group and of the Company for the financial year in which this report is made.

DIRECTORS

The names of Directors of the Company who served during the financial year and up to the date of this report are as follows:-

Dato' Sri Chong Ket Pen
Dato' Chong Ther Nen
Dato' Sri Su-Azian @ Muzaffar Syah Bin Abd Rahman
Suhaimi Bin Badrul Jamil
Tham Wei Mei
Celine Chan Hooi Li
Khoo Siang Hsi @ Khoo Chen Nan (Appointed on 1 January 2025)
Dato' Tan Yee Boon (Resigned on 31 December 2024)

The names of Directors of the Company's subsidiaries who served during the financial year and up to the date of this report, not including those Directors mentioned above, are disclosed in Appendix A to the financial statements.

DIRECTORS' INTERESTS

According to the register of Directors' shareholdings, the interests of the Directors holding office at the end of the financial year in shares, options over unissued shares or debentures of the Company and its related corporations during the financial year are as follows:-

The Company	Number of Ordinary Shares At 1.1.2024	Bought	Sold	At 31.12.2024
Direct Interests				
Dato' Sri Chong Ket Pen	93,626,376	-	-	93,626,376
Dato' Chong Ther Nen	2,866,458	-	-	2,866,458
Dato' Sri Su-Azian @ Muzaffar Syah Bin Abd Rahman	875,000	-	-	875,000
Suhaimi Bin Badrul Jamil	105,832	-	-	105,832
Indirect Interests				
Dato' Sri Chong Ket Pen^^	50,312,361	-	-	50,312,361
Dato' Chong Ther Nen**	2,095,800	-	-	2,095,800
Dato' Sri Su-Azian @ Muzaffar Syah Bin Abd Rahman#	3,645,833	-	-	3,645,833

Notes:-

^^ *Deemed interest by virtue of his substantial shareholdings in Penmacorp Sdn Bhd which in turn is a substantial shareholder of the Company pursuant to Section 8 of the Companies Act 2016 as well as his spouse and children's shareholdings in the Company pursuant to Section 59(11)(c) of the Companies Act 2016.*

** *Deemed interest through his spouse's shareholdings in the Company pursuant to Section 59(11)(c) of the Companies Act 2016.*

Deemed interest by virtue of his substantial shareholdings in Rencana Berkat Sdn Bhd pursuant to Section 8 of the Companies Act 2016.

By virtue of his interest in the Company, Dato' Sri Chong Ket Pen is deemed to have interests in shares in its related corporations during the financial year to the extent of the Company's interest, in accordance with Section 8 of the Companies Act 2016.

The other Directors holding office at the end of the financial year had no interest in shares, options over unissued shares or debentures of the Company or its related corporations during the financial year.

DIRECTORS' BENEFITS

Since the end of the previous financial year, no Director has received or become entitled to receive any benefit (other than directors' remuneration as disclosed in the "Directors' Remuneration" of this report) by reason of a contract made by the Company or a related corporation with the Director or with a firm of which the Director is a member, or with a company in which the Director has a substantial financial interest except for any benefits which may be deemed to arise from transactions entered into in the ordinary course of business with companies in which certain Directors have substantial financial interests as disclosed in Note 43 to the financial statements.

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

DIRECTORS' REMUNERATION

The details of the Directors' remuneration paid or payable to the Directors of the Group and the Company during the financial year are as follows:-

	The Group RM'000	The Company RM'000
Fees	759	204
Salaries, bonuses and other benefits	5,888	1,063
Defined contribution benefits	495	66
	7,142	1,333

The estimated monetary value of benefits-in-kind provided by the Group and the Company to the Directors of the Company were RM87,950 and RM42,400 respectively.

INDEMNITY AND INSURANCE COST

During the financial year, the total amount of indemnity coverage and insurance premium paid for the Directors and certain officers of the Company were RM20,000,000 and RM103,000 respectively. No indemnity was given to or insurance effected for auditors of the Company.

SUBSIDIARIES

The details of the subsidiary name, place of incorporation, principal activities and percentage of issued share capital held by the Company in each subsidiary are disclosed in Note 5 to the financial statements.

Where applicable, the available auditors' reports on the financial statements of the subsidiaries did not contain any qualification.

SIGNIFICANT EVENT DURING THE FINANCIAL YEAR

The significant event during the financial year is disclosed in Note 48 to the financial statements.

SIGNIFICANT EVENT OCCURRING AFTER THE REPORTING PERIOD

The significant event occurring after the reporting period is disclosed in Note 49 to the financial statements.

AUDITORS

The auditors, Crowe Malaysia PLT, have expressed their willingness to continue in office.

The details of the auditors' remuneration for the financial year are as follows:-

	The Group RM'000	The Company RM'000
Audit fees	955	99
Non-audit fees	8	8
	963	107

Signed in accordance with a resolution of the Directors dated 21 April 2025.

Dato' Chong Ther Nen

Suhaimi Bin Badrul Jamil

STATEMENT BY DIRECTORS

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

We, Dato' Chong Ther Nen and Suhaimi Bin Badrul Jamil, being two of the Directors of Protasco Berhad, state that, in the opinion of the Directors, the financial statements set out on pages 155 to 269 are drawn up in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act 2016 in Malaysia so as to give a true and fair view of the financial position of the Group and of the Company as of 31 December 2024 and of their financial performance and cash flows for the financial year ended on that date.

Signed in accordance with a resolution of the Directors dated 21 April 2025.

Dato' Chong Ther Nen **Suhaimi Bin Badrul Jamil**

STATUTORY DECLARATION

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

I, Cheong Kah Wang, MIA Membership Number: 7854, being the officer primarily responsible for the financial management of Protasco Berhad, do solemnly and sincerely declare that the financial statements set out on pages 155 to 269 are, to the best of my knowledge and belief, correct and I make this solemn declaration conscientiously believing the declaration to be true, and by virtue of the Statutory Declarations Act 1960.

Subscribed and solemnly declared by the abovementioned
Cheong Kah Wang,
at Kuala Lumpur
in the Federal Territory
on this 21 April 2025.

Cheong Kah Wang

Before me

Shaiful Hilmi Bin Halim (W804)
Commissioner for Oaths

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

Opinion

We have audited the financial statements of Protasco Berhad, which comprise the statements of financial position of the Group and of the Company as at 31 December 2024, and the statements of profit or loss and other comprehensive income, statements of changes in equity and statements of cash flows of the Group and of the Company for the financial year then ended, and notes to the financial statements, including material accounting policy information, as set out on pages 155 to 269.

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

Basis for Opinion

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

Independence and Other Ethical Responsibilities

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

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the Group and of the Company for the current financial year. These matters were addressed in the context of our audit of the financial statements of the Group and of the Company as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

We have determined the matters described below to be the key audit matters to be communicated in our report.

Key Audit Matters (Cont'd)

Revenue and Profit Recognition for Construction Services Refer to Note 4.1.1(e) and Note 35 to the financial statements	
Key Audit Matter	**How our audit addressed the key audit matter**
Construction services accounting is inherently complex due to the contracting nature of the business, which involves significant judgements. This includes the determination of the total budgeted contract costs to complete the projects and the calculation of percentage of completion which affects the quantum of revenue and profit to be recognised. In estimating the revenue to be recognised, the management considers past experience and work done certified by customers and/or independent third parties, where applicable. In estimating the total budgeted contract costs to completion, the management considers the completeness and accuracy of its costs estimation, including its obligations to contract variations and claims. The total costs to completion are subject to a number of variables including the accuracy of designs, market conditions in respect of materials and sub-contractor cost and construction issues. An error in the estimated profit on contracts could result in a material variance in the amount of profit or loss recognised to date and therefore also in the current period. The profit recognition on contract includes key judgements over the expected recovery of costs arising from variations and claims and assessment on liquidated and ascertained damages costs, where applicable. In addition, changes in judgements, and the related estimates, as contracts progress, can result in material adjustments to margin, which can be both positive and negative. The potential outcome for contracts can have an individually and collectively material impact on the financial statements, whether through error or management bias. We determined this to be a key audit matter due to the complexity and judgemental nature of the budgeting of contract costs to completion, calculation of percentage of completion and the determination of revenue and profit to be recognised.	Our procedures included, amongst others:- • read all key contracts and discussed with management to obtain a full understanding of the terms and risks to assess our consideration of whether revenue was appropriately recognised; • testing the operating effectiveness of internal controls over the completeness, accuracy and timing of revenue recognised in the financial statements; • assessing the management's assumptions in determining the percentage of completion of projects, estimations of revenue and costs, provisions for foreseeable losses, liquidated and ascertained damages as well as recoverability of billed receivables and costs incurred on variation orders; • assessing the reasonableness of percentage of completion by comparing to certification by external parties; • assessing the estimated profit and costs to completion, adjustments for job costing and potential contract losses; • performing subsequent event review to support year-end judgements; • assessing whether the amounts recognised in the financial statements were in line with the Group's accounting policy and relevant accounting standards; and • considering the adequacy of the Group's disclosures in respect of the judgements taken with respect to profit recognition and the key risks relating to these amounts.

Key Audit Matters (Cont'd)

Revenue and Profit Recognition for Property Development Activities Refer to Note 4.1.1(f) and Note 35 to the financial statements	
Key Audit Matter	**How our audit addressed the key audit matter**
The Group recognises property development revenue over the period of the contract by reference to the progress towards complete satisfaction of the performance obligation. This is determined by reference to the property development costs incurred up to the end of the reporting period as a percentage of total estimated costs for complete satisfaction of the contract. Accounting for property development activities is inherently complex and there is judgement involved in the following areas:- • determination of stage of completion; and • estimated total property development costs and costs to be incurred to complete a project We determined this to be a key audit matter given the complexity and judgmental nature of these activities.	Our procedures included, amongst others:- • reviewing the estimated profit and costs to complete and adjustments for job costing and potential contract losses; • for newly launched projects, assessing the reasonableness of the estimated total property development costs to supporting documentation such as contracts, quotations and variation orders with contractors; • for ongoing projects, checking for any variation orders and changes to contracts and quotations with the contractors, if any, are properly supported; • testing costs incurred to date to supporting documentation such as contractors' claim certificates; • testing sales of properties to signed sales and purchase agreements and billings raised to property buyers; • assessing the reasonableness of the percentage of completion by comparing to certification by external parties; and • recomputing the stage of completion and checking the journal entries impacting revenue and cost of sales are recognised appropriately with reference to the computation of the stage of completion of the projects.

Key Audit Matters (Cont'd)

Impairment of Trade Receivables Refer to Note 4.1.1(d), Note 14 and Note 46.1(b) in the financial statements	
Key Audit Matter	**How our audit addressed the key audit matter**

The Group carries significant trade receivables and is exposed to credit risk, or the risk of counterparties defaulting. The details of trade receivables and its credit risk are disclosed in Note 14 and Note 46.1(b) to the financial statements.
 	
The management applied assumptions in assessing the level of allowance for impairment losses on trade receivables based on the following:-
 	
• customers' payment profiles of past sales and corresponding historical credit losses;
• specific known facts or circumstances on customers' ability to pay; or
• by reference to past default experience.
 	
The impairment assessment involves significant judgements and there is inherent uncertainty in the assumptions applied by the management to determine the level of allowance.
 	
We determined this to be a key audit matter due to the significant judgements and level of uncertainty involved in assessing the recoverability of trade receivables.
	Our procedures included, amongst others:-
	
	• obtaining an understanding of:-
	  • the Group's control over the trade receivables collection process;
	  • how the Group identifies and assesses the impairment of trade receivables; and
	  • how the Group makes the accounting estimates for impairment.
	
	• reviewing the ageing analysis of trade receivables and testing the reliability thereof;
	
	• reviewing the payment history during the financial year and subsequent cash collections for major trade receivables and overdue amounts;
	
	• making inquiries of management regarding action plans to recover overdue amounts;
	
	• challenging management's view on the recoverability of overdue amounts to historical patterns of collection;
	
	• examining other evidence including customer correspondences, proposed or existing settlement plans, repayment schedules;
	
	• assessing the reasonableness and calculation of expected credit losses as at the end of the reporting period; and
	
	• evaluating the reasonableness and adequacy of the allowance for impairment loss recognised.

There are no key audit matters to report for the Company.

Information Other than the Financial Statements and Auditors' Report Thereon

The Directors of the Company are responsible for the other information. The other information comprises the information included in the annual report, but does not include the financial statements of the Group and of the Company and our auditors' report thereon.

Our opinion on the financial statements of the Group and of the Company does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements of the Group and of the Company, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements of the Group and of the Company or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Directors for the Financial Statements

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

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

Auditors' Responsibilities for the Audit of the Financial Statements

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

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

- Identify and assess the risks of material misstatement of the financial statements of the Group and of the Company, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's and the Company's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Directors.

Auditors' Responsibilities for the Audit of the Financial Statements (Cont'd)

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

- Evaluate the overall presentation, structure and content of the financial statements of the Group and of the Company, including the disclosures, and whether the financial statements of the Group and of the Company represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

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

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

In accordance with the requirements of the Companies Act 2016 in Malaysia, we report that the subsidiaries of which we have not acted as auditors, are disclosed in Note 5 to the financial statements.

OTHER MATTERS

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

Crowe Malaysia PLT
201906000005 (LLP0018817-LCA) & AF 1018
Chartered Accountants

Kaw Hoong Siang
03379/06/2026 J
Chartered Accountant

Kuala Lumpur

21 April 2025

STATEMENTS OF FINANCIAL POSITION

as at 31 December 2024

		The Group		The Company	
	Note	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
ASSETS					
NON-CURRENT ASSETS					
Investments in subsidiaries	5	-	-	189,031	170,506
Investments in associates	6	14,587	16,885	-	-
Property, plant and equipment	7	234,134	241,341	123	339
Investment properties	8	69,631	71,453	-	-
Right-of-use assets	9	8,960	10,243	-	-
Inventories	10	35,899	35,899	-	-
Goodwill on consolidation		36	36	-	-
Long-term investments	11	520	505	-	-
Deferred tax assets	12	119	117	-	-
		363,886	376,479	189,154	170,845
CURRENT ASSETS					
Inventories	10	54,199	43,609	-	-
Contract cost assets	13	9,396	3,937	-	-
Trade receivables	14	206,900	236,038	-	-
Contract assets	15	4,064	4,559	-	-
Other receivables, deposits and prepayments	16	12,179	15,048	59	74
Amount owing by subsidiaries	17	-	-	74,701	90,543
Amount owing by associates	18	4,434	775	-	-
Current tax assets		13,853	15,769	-	-
Short-term investments	19	21,349	16,243	-	-
Deposits with licensed banks	20	18,155	30,751	2,018	1,622
Cash and bank balances	21	227,921	133,323	464	1,053
		572,450	500,052	77,242	93,292
Assets of disposal group classified as held for sale	22	10,933	-	-	-
		583,383	500,052	77,242	93,292
TOTAL ASSETS		947,269	876,531	266,396	264,137

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

STATEMENTS OF FINANCIAL POSITION
as at 31 December 2024

	Note	The Group 2024 RM'000	The Group 2023 RM'000	The Company 2024 RM'000	The Company 2023 RM'000
EQUITY AND LIABILITIES					
EQUITY					
Share capital	23	249,437	249,437	249,437	249,437
Treasury shares	24	(3,753)	(3,753)	(3,753)	(3,753)
Foreign exchange translation reserve	25	(15,411)	(16,204)	-	-
Capital reserve	26	8,875	8,875	-	-
Fair value reserve		(30)	(30)	-	-
Retained profits		80,893	55,520	5,378	4,216
EQUITY ATTRIBUTABLE TO OWNERS OF THE COMPANY		320,011	293,845	251,062	249,900
Non-controlling interests		62,601	42,414	-	-
TOTAL EQUITY		382,612	336,259	251,062	249,900
NON-CURRENT LIABILITIES					
Other payables	32	23,576	24,149	-	-
Deferred tax liabilities	12	2,069	2,356	-	-
Long-term borrowings	27	25,113	37,538	-	-
Lease liabilities	28	4,898	5,926	-	-
		55,656	69,969	-	-
CURRENT LIABILITIES					
Trade payables	31	245,246	207,932	-	-
Other payables and accruals	32	48,199	63,056	1,273	1,870
Contract liabilities	15	12,290	10,439	-	-
Amount owing to subsidiaries	17	-	-	1,836	4,218
Amount owing to associates	18	5,270	4,353	-	-
Current tax liabilities		3,302	3,353	2,804	2,791
Short-term borrowings	33	124,879	137,214	-	-
Lease liabilities	28	2,003	2,122	-	-
Bank overdrafts	34	49,351	41,812	9,421	5,358
Derivative liabilities		-	22	-	-
		490,540	470,303	15,334	14,237
Liabilities of disposal group classified as held for sale	22	18,461	-	-	-
		509,001	470,303	15,334	14,237
TOTAL LIABILITIES		564,657	540,272	15,334	14,237
TOTAL EQUITY AND LIABILITIES		947,269	876,531	266,396	264,137

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

STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

for the Financial Year Ended 31 December 2024

		The Group		The Company	
	Note	2024 RM'000	2023 RM'000 (Restated)	2024 RM'000	2023 RM'000 (Restated)
CONTINUING OPERATIONS					
REVENUE	35	1,277,581	1,106,556	9,841	9,241
COST OF SALES		(1,098,707)	(979,155)	-	-
GROSS PROFIT		178,874	127,401	9,841	9,241
OTHER INCOME		11,135	8,014	1,699	1,648
ADMINISTRATIVE EXPENSES		(42,351)	(39,999)	(9,398)	(12,757)
OTHER EXPENSES		(59,802)	(52,730)	-	-
PROFIT/(LOSS) FROM OPERATIONS		87,856	42,686	2,142	(1,868)
FINANCE COSTS		(12,281)	(12,446)	(503)	(412)
NET IMPAIRMENT LOSSES ON FINANCIAL ASSETS	36	3,823	5,109	(114)	(4,568)
SHARE OF PROFITS OF EQUITY ACCOUNTED ASSOCIATES		4,495	3,087	-	-
PROFIT/(LOSS) BEFORE TAXATION	37	83,893	38,436	1,525	(6,848)
INCOME TAX EXPENSE	38	(23,785)	(13,854)	(363)	(112)
PROFIT/(LOSS) AFTER TAXATION FROM CONTINUING OPERATIONS		60,108	24,582	1,162	(6,960)
DISCONTINUING OPERATIONS					
LOSS AFTER TAXATION FROM DISCONTINUING OPERATIONS	39	(4,652)	(3,509)	-	-
PROFIT/(LOSS) AFTER TAXATION		55,456	21,073	1,162	(6,960)
OTHER COMPREHENSIVE INCOME/ (EXPENSES)					
Item that Will be Reclassified Subsequently to Profit or Loss					
Foreign currency translation differences		1,017	(1,225)	-	-
		1,017	(1,225)	-	-
TOTAL COMPREHENSIVE INCOME/ (EXPENSES) FOR THE FINANCIAL YEAR		56,473	19,848	1,162	(6,960)

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

STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

for the Financial Year Ended 31 December 2024

	Note	The Group 2024 RM'000	The Group 2023 RM'000 (Restated)	The Company 2024 RM'000	The Company 2023 RM'000 (Restated)
PROFIT/(LOSS) AFTER TAXATION ATTRIBUTABLE TO:-					
Owners of the Company:					
- continuing operations		30,025	10,191	1,162	(6,960)
- discontinuing operations		(4,652)	(3,509)	-	-
		25,373	6,682	1,162	(6,960)
Non-controlling interests		30,083	14,391	-	-
		55,456	21,073	1,162	(6,960)
TOTAL COMPREHENSIVE INCOME/ (EXPENSES) ATTRIBUTABLE TO:-					
Owners of the Company:					
- continuing operations		30,818	9,170	1,162	(6,960)
- discontinuing operations		(4,652)	(3,509)	-	-
		26,166	5,661	1,162	(6,960)
Non-controlling interests		30,307	14,187	-	-
		56,473	19,848	1,162	(6,960)
EARNINGS/(LOSS) PER SHARE (SEN)	40				
Basic:					
- continuing operations		6.23	2.12		
- discontinuing operations		(0.97)	(0.73)		
		5.26	1.39		
Diluted:					
- continuing operations		6.23	2.12		
- discontinuing operations		(0.97)	(0.73)		
		5.26	1.39		

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

STATEMENTS OF CHANGES IN EQUITY

for the Financial Year Ended 31 December 2024

The Group	Share Capital RM'000	Treasury Shares RM'000	Foreign Exchange Translation Reserve RM'000	Capital Reserve RM'000	Fair Value Reserve RM'000	Retained Profits RM'000	Attributable to Owners of the Company RM'000	Non-Controlling Interests RM'000	Total Equity RM'000
	← Non-Distributable				→	Distributable			
Balance at 1.1.2023	249,437	(3,753)	(15,183)	8,875	(30)	47,577	286,923	40,931	327,854
Profit after taxation for the financial year	-	-	-	-	-	6,682	6,682	14,391	21,073
Other comprehensive expenses for the financial year:									
- foreign currency translation	-	-	(1,021)	-	-	-	(1,021)	(204)	(1,225)
Total comprehensive income for the financial year	-	-	(1,021)	-	-	6,682	5,661	14,187	19,848
Contributions by and distribution to owners of the Company:-									
Acquisition of a subsidiary	-	-	-	-	-	-	-	(173)	(173)
Dividends:									
- by subsidiaries to non-controlling interests ("NCI")	-	-	-	-	-	-	-	(11,270)	(11,270)
Changes in a subsidiary's ownership interest that do not result in a loss of control	-	-	-	-	-	1,261	1,261	(1,261)	-
Total transactions with owners	-	-	-	-	-	1,261	1,261	(12,704)	(11,443)
Balance at 31.12.2023	249,437	(3,753)	(16,204)	8,875	(30)	55,520	293,845	42,414	336,259

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

STATEMENTS OF CHANGES IN EQUITY
for the Financial Year Ended 31 December 2024

The Group	Share Capital RM'000	Treasury Shares RM'000	Foreign Exchange Translation Reserve RM'000	Capital Reserve RM'000	Fair Value Reserve RM'000	Retained Profits RM'000	Attributable to Owners of the Company RM'000	Non-Controlling Interests RM'000	Total Equity RM'000
	← Non-Distributable				→	Distributable			
Balance at 1.1.2024	249,437	(3,753)	(16,204)	8,875	(30)	55,520	293,845	42,414	336,259
Profit after taxation for the financial year	-	-	-	-	-	25,373	25,373	30,083	55,456
Other comprehensive income for the financial year:									
- foreign currency translation	-	-	793	-	-	-	793	224	1,017
Total comprehensive income for the financial year	-	-	793	-	-	25,373	26,166	30,307	56,473
Contributions by and distribution to owners of the Company:-									
Issuance of shares by a subsidiary to NCI	-	-	-	-	-	-	-	5,400	5,400
Dividends:									
- by subsidiaries to NCI	-	-	-	-	-	-	-	(15,520)	(15,520)
Total transactions with owners	-	-	-	-	-	-	-	(10,120)	(10,120)
Balance at 31.12.2024	249,437	(3,753)	(15,411)	8,875	(30)	80,893	320,011	62,601	382,612

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

The Company	Share Capital RM'000	Treasury Shares RM'000	Distributable Retained Profits RM'000	Total Equity RM'000
Balance at 1.1.2023	249,437	(3,753)	11,176	256,860
Loss after taxation/Total comprehensive expenses for the financial year	-	-	(6,960)	(6,960)
Balance at 31.12.2023 /1.1.2024	249,437	(3,753)	4,216	249,900
Profit after taxation/Total comprehensive income for the financial year	-	-	1,162	1,162
Balance at 31.12.2024	249,437	(3,753)	5,378	251,062

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

STATEMENTS OF CASH FLOWS

for the Financial Year Ended 31 December 2024

		The Group		The Company	
	Note	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
CASH FLOWS FROM/(FOR) OPERATING ACTIVITIES					
Profit/(Loss) before taxation:					
- continuing operations		83,893	38,436	1,525	(6,848)
- discontinuing operations		(4,734)	(3,509)	-	-
Adjustments for:					
Bad debts written off		143	8	-	-
Depreciation of:					
- investment properties		1,822	1,823	-	-
- property, plant and equipment		13,193	13,635	243	243
- right-of-use assets		2,553	2,492	-	-
Allowance for impairment losses on:					
- trade receivables		3,874	4,577	-	-
- contract cost assets		-	113	-	-
- amount owing by subsidiaries		-	-	114	4,568
- other receivables		5,400	-	-	-
Interest expense		12,606	12,808	611	514
Inventories written off		21	1	-	-
Property, plant and equipment written off		73	18	-	1
Fair value (gain)/loss on derivatives		(22)	22	-	-
Gain on disposal of property, plant and equipment		(67)	(269)	-	-
Gross dividends from subsidiaries		-	-	(1,100)	(500)
Income from short-term investments		(97)	(215)	-	-
Interest income		(1,702)	(1,300)	(1,699)	(1,647)
Loss on disposal of associates		56	-	-	-
Share of profits of equity accounted associates		(4,495)	(3,087)	-	-
Unrealised (gain)/loss on foreign exchange		(21)	7	-	-
Reversal of impairment losses on:					
- property, plant and equipment		-	(2,608)	-	-
- trade receivables		(11,377)	(12,841)	-	-
- contract cost assets		(97)	-	-	-
- other receivables		(144)	(587)	-	-
Operating profit/(loss) before working capital changes		100,878	49,524	(306)	(3,669)

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

		The Group		The Company	
	Note	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
OPERATING PROFIT/(LOSS) BEFORE WORKING CAPITAL CHANGES BROUGHT FORWARD		100,878	49,524	(306)	(3,669)
Increase in inventories		(10,611)	(3,808)	-	-
Increase in contract cost assets		(5,362)	(3,097)	-	-
Decrease in contract assets		495	3,735	-	-
Increase in contract liabilities		1,851	408	-	-
Increase in amount owing by associates		(3,659)	(427)	-	-
Increase in amount owing to associates		917	239	-	-
(Increase)/Decrease in amount owing by subsidiaries		-	-	(1,309)	899
(Decrease)/Increase in amount owing to subsidiaries		-	-	(2,382)	985
Decrease/(Increase) in trade and other receivables		30,721	(59,945)	14	(14)
Increase/(Decrease) in trade and other payables		41,861	20,314	(596)	1,430
CASH FROM/(FOR) OPERATIONS		157,091	6,943	(4,579)	(369)
Interest paid		(3,943)	(3,393)	(611)	(507)
Income tax paid, net of refund		(22,083)	(8,640)	(350)	(122)
NET CASH FROM/(FOR) OPERATING ACTIVITIES		131,065	(5,090)	(5,540)	(998)
CASH FLOWS (FOR)/FROM INVESTING ACTIVITIES					
Addition in investment in an associate		-	(77)	-	-
Addition in other investments		(15)	(360)	-	-
Addition in right-of-use assets	41(a)	-	(140)	-	-
Interest income received		1,702	1,300	36	31
Increase of fixed deposits pledged to licensed banks		(1,683)	(910)	(396)	(31)
Income from short-term investments received		97	215	-	-
Net dividends received from subsidiaries		-	-	1,100	500
Net dividends received from associates		3,751	3,694	-	-
Net cash outflow from acquisition of a subsidiary		-	(419)	-	-
Net decrease of deposits with licensed banks with maturity periods more than three months		-	111	-	-
Proceeds from disposal of property, plant and equipment		126	1,296	-	-
Proceeds from disposal of associates		2,989	-	-	-
Purchase of property, plant and equipment	41(a)	(8,979)	(13,233)	(27)	(26)
Redemption of preference shares of a subsidiary		-	-	175	-
NET CASH (FOR)/FROM INVESTING ACTIVITIES		(2,012)	(8,523)	888	474
BALANCE CARRIED FORWARD		129,053	(13,613)	(4,652)	(524)

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

STATEMENTS OF CASH FLOWS
for the Financial Year Ended 31 December 2024

	Note	The Group 2024 RM'000	The Group 2023 RM'000	The Company 2024 RM'000	The Company 2023 RM'000
BALANCE BROUGHT FORWARD		129,053	(13,613)	(4,652)	(524)
CASH FLOWS FOR FINANCING ACTIVITIES					
Dividends paid to non-controlling interests		(15,520)	(11,270)	-	-
Interest paid		(9,278)	(9,062)	-	(7)
Proceeds from issuance of shares to non-controlling interests		5,400	-	-	-
Drawdown of term loans		3,386	8,538	-	-
Repayment of term loans		(27,618)	(21,706)	-	-
Repayment of lease liabilities	41(c)	(2,417)	(2,312)	-	-
Repayment of hire purchase payables		(500)	(593)	-	(103)
Net (repayment)/drawdown of short-term borrowings		(315)	19,410	-	-
NET CASH FOR FINANCING ACTIVITIES		(46,862)	(16,995)	-	(110)
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS		82,191	(30,608)	(4,652)	(634)
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE FINANCIAL YEAR		125,166	155,774	(4,305)	(3,671)
TRANSFER TO ASSETS OF DISPOSAL GROUP HELD FOR SALE		(4,305)	-	-	-
CASH AND CASH EQUIVALENTS AT END OF THE FINANCIAL YEAR	41(d)	203,052	125,166	(8,957)	(4,305)

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

1. GENERAL INFORMATION

The Company is a public company limited by shares, incorporated and domiciled in Malaysia. The registered office and principal place of business are as follows:-

Registered office	:	802, 8th Floor, Block C, Kelana Square, 17, Jalan SS7/26, 47301 Petaling Jaya, Selangor Darul Ehsan.
Principal place of business	:	2nd Floor, Corporate Building, Unipark Suria, Jalan Ikram-Uniten, 43000 Kajang, Selangor Darul Ehsan.

These financial statements comprise both separate and consolidated financial statements. The financial statements of the Company are separate financial statements, while the financial statements of the Group are consolidated financial statements that include those of the Company and its subsidiaries as of the end of the reporting period. The Company and its subsidiaries are collectively referred to as "the Group".

The financial statements of the Company and of the Group are presented in Ringgit Malaysia ("RM"), which is the Company's functional and presentation currency and has been rounded to the nearest thousand, unless otherwise stated.

The financial statements were authorised for issue by the Board of Directors in accordance with a resolution of the Directors dated 21 April 2025.

2. PRINCIPAL ACTIVITIES

The Company is principally engaged in the business of investment holding and provision of management services to its subsidiaries. The principal activities of the subsidiaries are set out in Note 5 to the financial statements. There have been no significant changes in the nature of these activities during the financial year.

3. BASIS OF PREPARATION

The financial statements of the Group and of the Company are prepared under the historical cost convention and modified to include other bases of valuation as disclosed in other sections under material accounting policy information, and in compliance with Malaysian Financial Reporting Standards ("MFRSs"), International Financial Reporting Standards and the requirements of the Companies Act 2016 in Malaysia.

3.1 During the current financial year, the Group and the Company have adopted the following new accounting standards and/or interpretations (including the consequential amendments, if any):-

MFRSs and/or IC Interpretations (Including The Consequential Amendments)
Amendments to MFRS 16: Lease Liability in a Sale and Leaseback
Amendments to MFRS 101: Classification of Liabilities as Current or Non-current
Amendments to MFRS 101: Non-current Liabilities with Covenants
Amendments to MFRS 107 and MFRS 7: Supplier Finance Arrangements

The adoption of the above accounting standards and/or interpretations (including the consequential amendments, if any) did not have any material impact on the financial statements of the Group and of the Company.

3. BASIS OF PREPARATION (CONT'D)

3.2 The Group and the Company have not applied in advance the following accounting standards and/or interpretations (including the consequential amendments, if any) that have been issued by the Malaysian Accounting Standards Board ("MASB") but are not yet effective for the current financial year:-

MFRSs and/or IC Interpretations (Including The Consequential Amendments)	Effective Date
MFRS 18 Presentation and Disclosure in Financial Statements	1 January 2027
MFRS 19 Subsidiaries without Public Accountability: Disclosures	1 January 2027
Amendments to MFRS 9 and MFRS 7: Amendments to the Classification and Measurement of Financial Instruments	1 January 2026
Amendments to MFRS 9 and MFRS 7: Contracts Referencing Nature-dependent Electricity	1 January 2026
Amendments to MFRS 10 and MFRS 128: Sale of Contribution of Assets between an Investor and its Associate or Joint Venture	Deferred
Amendments to MFRS 121: Lack of Exchangeability	1 January 2025
Annual Improvements to MFRS Accounting Standards – Volume 11	1 January 2026

The adoption of the above accounting standards and/or interpretations (including the consequential amendments, if any) is expected to have no material impact on the financial statements of the Group and of the Company upon their initial application except as follows:-

MFRS 18 Presentation and Disclosure in Financial Statements

MFRS 18 'Presentation and Disclosure in Financial Statements' will replace MFRS 101 'Presentation of Financial Statements' upon its adoption. This new standard aims to enhance the transparency and comparability of financial information by introducing new disclosure requirements. Specifically, it requires that income and expenses be classified into 3 defined categories: "operating", "investing" and "financing" and introduces 2 new subtotals: "operating profit or loss" and "profit or loss before financing and income tax". In addition, MFRS 18 requires the disclosure of management-defined performance measures and sets out principles for the aggregation and disaggregation of information, which will apply to all primary financial statements and the accompanying notes. The statement of financial position and the statement of cash flows will also be affected. The potential impact of the new standard on the financial statements of the Group and of the Company has yet to be assessed.

4. MATERIAL ACCOUNTING POLICY INFORMATION

4.1 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

4.1.1 Key Sources of Estimation Uncertainty

Management believes that there are no key assumptions made concerning the future, and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year other than as disclosed below:-

(a) Impairment of Property, Plant and Equipment

The Group and the Company determine whether an item of its property, plant and equipment is impaired by evaluating the extent to which the recoverable amount of the asset is less than its carrying amount. This evaluation is subject to changes such as market performance, economic and political situation of the country. A variety of methods is used to determine the recoverable amount, such as valuation reports and discounted cash flows. The carrying amount of property, plant and equipment as at the reporting date is disclosed in Note 7 to the financial statements.

4. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

4.1 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS (CONT'D)

4.1.1 Key Sources of Estimation Uncertainty (Cont'd)

(b) Impairment of Investment Properties

The Group determines whether its investment properties are impaired by evaluating the extent to which the recoverable amount of the asset is less than its carrying amount. This evaluation is subject to changes such as market performance, economic and political situation of the country. A variety of methods is used to determine the recoverable amount, such as valuation reports and discounted cash flows. The carrying amount of investment properties as at the reporting date is disclosed in Note 8 to the financial statements.

(c) Write-down of Inventories

Reviews are made periodically by management on damaged, obsolete and slow-moving inventories. These reviews require judgement and estimates. Possible changes in these estimates could result in revisions to the valuation of inventories. The carrying amount of inventories as at the reporting date is disclosed in Note 10 to the financial statements.

(d) Impairment of Trade Receivables and Contract Assets

The Group uses the simplified approach to estimate a lifetime expected credit loss allowance for all trade receivables and contract assets. The contract assets are grouped with trade receivables for impairment assessment because they have substantially the same risk characteristics as the trade receivables for the same types of contracts. The Group develops the expected loss rates based on the payment profiles of past sales and the corresponding historical credit losses, and adjusts for qualitative and quantitative reasonable and supportable forward-looking information. If the expectation is different from the estimation, such difference will impact the carrying amounts of trade receivables and contract assets. The carrying amounts of trade receivables and contract assets as at the reporting date are disclosed in Notes 14 and 15 to the financial statements respectively.

(e) Revenue Recognition for Construction Services

The Group recognises construction revenue by reference to the construction progress based on the physical proportion of contract work certified by professional consultants. Significant judgement is required in determining the progress towards complete satisfaction of the performance obligation based on the contract work certified to-date corroborated by the level of completion of the construction based on actual costs incurred to-date over the estimated total contract costs. The total estimated costs are based on approved budgets, which require assessment and judgement to be made on changes in, for example, work scope, changes in costs and costs to completion. In making the judgement, management relies on past experience and the work of specialists. The carrying amount of contract assets and contract liabilities as at the reporting date are disclosed in Note 15 to the financial statements.

(f) Property Development

The Group recognises property development revenue and expenses in profit or loss by using an input method which is based on cost incurred to-date relative to the total expected cost to the satisfaction of that performance obligation.

Significant judgement is required in determining the measure of progress, the extent of the property development cost incurred, the estimated total property development revenue and cost, as well as the recoverability of the property development cost. In making the judgement, the Group evaluates based on past experience and by relying on the work of specialists. The carrying amounts of the land held for property development and property development costs as at the reporting date are disclosed in Note 10 to the financial statements.

4. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

4.1 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS (CONT'D)

4.1.2 Critical Judgement Made in Applying Accounting Policies

Management believes that there are no instances of application of critical judgement in applying the accounting policies of the Group and of the Company which will have a significant effect on the amounts recognised in the financial statements other than as disclosed below:-

(a) Classification between Investment Properties and Owner-occupied Properties

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

Judgement is made on an individual property basis to determine whether ancillary services are so significant that a property does not qualify as investment properties.

(b) Contingent Liabilities

The recognition and measurement for contingent liabilities are based on management's view of the expected outcome on contingencies after consulting legal counsel for litigation cases and experts, for matters in the ordinary course of business. Furthermore, the managements are of the view that the chances of the financial institutions to call upon the corporate guarantees issued by the Group and the Company are remote.

4.2 FINANCIAL INSTRUMENTS

(a) Financial Assets

Financial Assets Through Profit or Loss

The financial assets are initially measured at fair value. Subsequent to the initial recognition, the financial assets are remeasured to their fair values at the reporting date with fair value changes recognised in profit or loss. The fair value changes do not include interest and dividend income.

Financial Assets at Amortised Cost

The financial assets are initially measured at fair value plus transaction costs except for trade receivables without significant financing component which are measured at transaction price only. Subsequent to the initial recognition, all financial assets are measured at amortised cost less any impairment losses.

Financial Assets Through Other Comprehensive Income

The financial assets are initially measured at fair value plus transaction costs. Subsequent to the initial recognition, the financial assets are remeasured to their fair values at the reporting date with fair value changes taken up in other comprehensive income and accumulated in the fair value reserve, except for the recognition of impairment, interest income and foreign exchange difference of a debt instrument which are recognised directly in profit or loss. The fair value changes do not include interest and dividend income.

4. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

4.2 FINANCIAL INSTRUMENTS (CONT'D)

(b) Financial Liabilities

Financial Liabilities Through Profit or Loss

The financial liabilities are initially measured at fair value. Subsequent to the initial recognition, the financial liabilities are remeasured to their fair values at the reporting date with fair value changes recognised in profit or loss. The fair value changes do not include interest expense.

Financial Liabilities at Amortised Cost

The financial liabilities are initially measured at fair value less transaction costs. Subsequent to the initial recognition, the financial liabilities are measured at amortised cost.

(c) Equity

Ordinary Shares

Ordinary shares are recorded on initial recognition at the proceeds received less directly attributable transaction costs incurred. The ordinary shares are not remeasured subsequently.

Treasury Shares

Treasury shares are recorded on initial recognition at the consideration paid less directly attributable transaction costs incurred. The treasury shares are not remeasured subsequently.

No gain or loss is recognised in profit or loss on the purchase, sale, issue or cancellation of the treasury shares. If such shares are issued by resale, any difference between the sales consideration received and the carrying amount of the treasury shares is recognised in equity. Where treasury shares are cancelled, their carrying amounts are shown as a movement in retained profits.

(d) Derivatives

Derivatives are initially measured at fair value. Subsequent to the initial recognition, the derivatives are remeasured to their fair values at the reporting date with fair value changes recognised in profit or loss.

(e) Financial Guarantee Contracts

Financial guarantee contracts are recognised initially as liabilities at fair value, net of transaction costs. Subsequent to initial recognition, financial guarantee contracts are recognised as income in profit or loss over the period of the guarantee or, when there is no specific contractual period, recognised in profit or loss upon discharge of the guarantee. If the debtor fails to make payment relating to a financial guarantee contract when it is due and the Company, as the issuer, is required to reimburse the holder for the associated loss, the liability is measured at the higher of the amount of the credit loss determined in accordance with the expected credit loss model and the amount initially recognised less cumulative amortisation.

4.3 GOODWILL

Goodwill is initially measured at cost. Subsequent to the initial recognition, the goodwill is measured at cost less accumulated impairment losses, if any. A bargain purchase gain is recognised in profit or loss immediately.

4. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

4.4 INVESTMENTS IN SUBSIDIARIES

Investments in subsidiaries, which are eliminated on consolidation, are stated in separate financial statements of the Company at cost less impairment losses, if any.

4.5 INVESTMENTS IN ASSOCIATES

Investments in associates are stated in the separate financial statements of the Company at cost less impairment losses, if any, and accounted for using the equity method in the consolidated financial statements.

4.6 PROPERTY, PLANT AND EQUIPMENT

All items of property, plant and equipment are initially measured at cost.

Subsequent to initial recognition, all property, plant and equipment, other than freehold land, are stated at cost less accumulated depreciation and any impairment losses.

Freehold land is not depreciated. Depreciation on other property, plant and equipment is calculated using the straight-line method to allocate their depreciable amounts over the estimated useful lives. The principal annual depreciation rates are:-

Solar plant	4.70%
Buildings	2%
Renovation	10% - 33.33%
Reference books, office equipment, furniture and fittings	10% - 33.33%
Laboratory equipment, plant and machinery	12.50% - 20%
Motor vehicles	12.50% - 20%

Capital work-in-progress represents renovation in progress. They are not depreciated until such time when the asset is available for use.

4.7 INVESTMENT PROPERTIES

Investment properties are initially measured at cost. Subsequent to the initial recognition, the investment properties are stated at cost less accumulated depreciation and accumulated impairment losses.

Depreciation on investment properties is calculated using the straight-line method to allocate the depreciable amounts over the estimated useful lives. The estimated useful lives of the investment properties are 50 years.

4.8 RIGHT-OF-USE ASSETS AND LEASE LIABILITIES

(a) Short-term Leases and Leases of Low-value Assets

The Group and the Company apply the "short-term lease" and "lease of low-value assets" recognition exemption. For these leases, the Group and the Company recognise the lease payments as an operating expense on a straight-line method over the term of the lease unless another systematic basis is more appropriate.

4. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

4.8 RIGHT-OF-USE ASSETS AND LEASE LIABILITIES (CONT'D)

(b) Right-of-use Assets

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

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

(c) Lease Liabilities

Lease liabilities are initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the entities' incremental borrowing rate. Subsequent to the initial recognition, the lease liabilities are measured at amortised cost and adjusted for any lease reassessment or modifications.

4.9 INVENTORIES

(a) Land Held for Property Development

Land held for property development represents freehold land and right-of-use assets (leasehold land) on which development activities are not expected to be completed within the normal operating cycle.

Land held for property development is classified within non-current assets and is stated at the lower of cost and net realisable value.

Costs associated with the acquisition of land include the purchase price of freehold land, payment of the right-of-use asset (leasehold land), professional fees, stamp duties, commissions, conversion fees and other relevant levies. Pre-acquisition costs are charged to profit or loss as incurred unless such costs are directly identifiable to the consequent property development activity.

Net realisable value represents the estimated selling price of intended properties that to be developed less the estimated costs of completion and the estimated costs necessary in selling the properties. If future development layout plan is not available, the replacement cost of the land held for property development will be the best available measure of the net realisable value.

Land held for property development is transferred to property development costs category (within current assets) when development activities have commenced and are expected to be completed within the normal operating cycle.

(b) Property Development Costs

Property development costs are those assets on which significant works have been undertaken and are expected to be completed within the normal operating cycle.

Property development costs comprise costs associated with the purchase of freehold land, payment for the right-of-use asset (leasehold land) and all costs that are directly attributable to development activities or that can be allocated on a reasonable basis to such activities as well as borrowing costs relating to the financing of the development activities.

Property development costs that are not recognised as an expense are recognised as an asset and carried at the lower of cost and net realisable value.

4. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

4.9 INVENTORIES (CONT'D)

(b) Property Development Costs (Cont'd)

Net realisable value represents the estimated selling price less the estimated costs of completion and the estimated costs necessary in selling the property.

When the financial outcome of a development activity can be reliably estimated, the amount of property revenue and expenses recognised in profit or loss are determined by reference to the stage of completion method. The stage of completion is determined based on the proportion that the property development costs incurred for work performed to date bear to the estimated total property development costs at the end of the reporting period.

When the financial outcome of a development activity cannot be reliably estimated, the property development revenue is recognised only to the extent of property development costs incurred that will be recoverable. The property development costs on the development units sold are recognised as an expense in the period in which they are incurred.

Where it is probable that property development costs will exceed property development revenue, any expected loss is recognised as an expense in profit or loss immediately, including costs to be incurred over the defects liability period.

On completion, sold properties are recognised in profit or loss and unsold properties are transferred to developed properties held for sale.

(c) Developed Properties Held for Sale

Developed properties held for sale are stated at the lower of cost and net realisable value. Cost is determined by the specific identification method and comprises the cost associated with the purchase of freehold land, payment for the right-of-use assets (leasehold land), construction costs and other related development expenditure incurred in bringing the inventories to their present location and condition.

(d) Other Inventories

Other inventories are stated at the lower of cost and net realisable value. Cost is determined on the weighted average cost and comprises all cost of purchase plus other costs incurred in bringing the inventories to their present location and condition.

5. INVESTMENTS IN SUBSIDIARIES

	The Company	
	2024 RM'000	2023 RM'000
At cost:-		
Unquoted shares in Malaysia		
Ordinary shares:-		
At 1 January	152,679	152,679
Additions during the financial year	18,700	-
Conversion from redeemable convertible preference shares ("RCPS")	17,325	-
At 31 December	188,704	152,679
Redeemable convertible preference shares:-		
At 1 January	17,500	17,500
Redemption during the financial year	(175)	-
Conversion to ordinary shares	(17,325)	-
At 31 December	-	17,500
	188,704	170,179
Unquoted shares outside Malaysia		
Ordinary shares:-		
At 1 January/31 December	327	327
	189,031	170,506

During the financial year:-

(a) The Company incorporated a new company in Malaysia namely, Infratech Dynamics Sdn. Bhd. ("IDSB"), through the subscription of 1 ordinary share at a total consideration of RM1, representing 100% equity interest in IDSB.

(b) The Company incorporated a new company in Malaysia namely, Protasco Biotech Sdn. Bhd. ("PBioSB"), through the subscription of 10 ordinary shares at a total consideration of RM10, representing 100% equity interest in PBioSB.

(c) The Company acquired 100% equity interest in Protasco Resources Sdn. Bhd. ("PRSB") for a total consideration of RM2. The effects of the acquisition in PRSB has no significant impact on the financial statements of the Group for the current financial year and the financial position of the Group as at end of the reporting period.

5. INVESTMENTS IN SUBSIDIARIES (CONT'D)

During the financial year (Cont'd):-

(d) The Group carried out internal restructuring exercises whereby:-

(i) Kumpulan Ikram Sdn. Bhd. ("KISB"), a wholly-owned subsidiary of the Company, transferred the shareholding of its entire 100% equity interest held in Infrabuild BIM Sdn. Bhd. ("IBSB") to HCM Engineering Sdn. Bhd. ("HCME").

(ii) KISB transferred the shareholding of both its entire 60% equity interest held in Ikram Libyana Sdn. Bhd. ("ILNSB") and Kumpulan Ikram (Sabah) Sdn. Bhd. ("KI-Sabah") respectively, to Ikram Works Sdn. Bhd. ("IWSB").

(iii) Ikram Education Sdn. Bhd. ("IESB"), an indirect wholly-owned subsidiary of the Company, transferred the shareholding of its entire 100% equity interest held in Ikram Infra Ventures Sdn. Bhd. ("IIVSB") to KISB.

(iv) HCME, a wholly-owned subsidiary of the Company, transferred the shareholding of its entire 40% equity interest held in Prasarana Bistari Sdn. Bhd. ("PBSB") to IDSB.

(v) IWSB, a wholly-owned subsidiary of the Company, transferred the shareholding of its entire 100% equity interest held in Ikram Skills Academy Sdn. Bhd. ("ISRA") to KISB. Subsequently, KISB transferred the shareholding of its entire 100% equity interest held in ISRA to HCME.

(e) The Company converted 17,325,000 RCPS at RM1 each held in Protasco Trading Sdn. Bhd. ("PTSB"), a wholly-owned subsidiary of the Company, into ordinary shares of PTSB. The remaining balance of 175,000 RCPS at RM1 each were redeemed by PTSB.

(f) The Company subscribed for an additional 18,700,000 ordinary shares of RM1 each in its existing wholly-owned subsidiary namely, Protasco Development Sdn. Bhd. ("PDSB") by way of capitalising RM18,700,000 from the amount owing by PDSB to the Company.

Details of the subsidiaries held by the Company are as follows:-

Name of Subsidiary	Principal Place of Business and Country of Incorporation	Percentage of Issued Share Capital Held by Parent		Principal Activities
		2024	2023	
HCM Engineering Sdn. Bhd.	Malaysia	100%	100%	Buildings, bridges and road construction, rehabilitation and maintenance.
Kumpulan Ikram Sdn. Bhd.	Malaysia	100%	100%	Investment holding, engineering and consultancy services, hotel operations and property management.
Protasco Trading Sdn. Bhd.	Malaysia	100%	100%	Trading of construction materials, products and equipment, petroleum based products and highway safety products and equipment.

5. INVESTMENTS IN SUBSIDIARIES (CONT'D)

Details of the subsidiaries held by the Company are as follows (Cont'd):-

Name of Subsidiary	Principal Place of Business and Country of Incorporation	Percentage of Issued Share Capital Held by Parent 2024	Percentage of Issued Share Capital Held by Parent 2023	Principal Activities
Protasco Infra Sdn. Bhd.	Malaysia	100%	100%	Investment holding.
Protasco Development Sdn. Bhd.	Malaysia	100%	100%	Property development.
Protasco Venture Partners Inc.[Δ]	British Virgin Islands	100%	100%	Investment holding.
Ikram Greentech Sdn. Bhd.	Malaysia	100%	100%	Investment holding and providing green project management services.
HCM Kasturi Sdn. Bhd.*	Malaysia	100%	100%	Investment holding.
Ikram Works Sdn. Bhd.	Malaysia	100%	100%	Investment holding and provision of engineering consultancy services.
Infratech Dynamic Sdn. Bhd.	Malaysia	100%	-	Investment holding.
Protasco Biotech Sdn. Bhd.[#]	Malaysia	100%	-	Dormant.
Protasco Resources Sdn. Bhd.*	Malaysia	100%	-	Dormant.

5. INVESTMENTS IN SUBSIDIARIES (CONT'D)

Details of subsidiaries held through HCM Engineering Sdn. Bhd. are as follows:-

Name of Subsidiary	Principal Place of Business and Country of Incorporation	Percentage of Issued Share Capital Held by Parent		Principal Activities
		2024	2023	
Permint Granite-HCM Sdn. Bhd.	Malaysia	70%	70%	Road maintenance and rehabilitation.
HCM Kijang Sdn. Bhd.	Malaysia	60%	60%	Dormant.
Roadcare (M) Sdn. Bhd.*	Malaysia	51%	51%	Road maintenance and rehabilitation.
HCM (L) Bhd.*	FT Labuan	100%	100%	Investment holding.
HCM-Ikhtisas Sdn. Bhd.*	Malaysia	78%	78%	Dormant.
HCM Arabia Sdn. Bhd.*	Malaysia	78%	78%	Dormant.
Prasarana Bistari Sdn. Bhd.*Ω	Malaysia	-	40%	Road construction and rehabilitation.
Konsortium HCM Perkasa Sdn. Bhd.*	Malaysia	100%	100%	Dormant.
Infra Water Sdn. Bhd.*	Malaysia	51%	51%	Dormant.
HCM Builders Lanka (Private) Limited@	Sri Lanka	100%	100%	Dormant.
Infrabuild BIM Sdn. Bhd.	Malaysia	100%	-	Dormant.
Ikram Skills Academy Sdn. Bhd.	Malaysia	100%	-	Provision of skills training courses.

5. INVESTMENTS IN SUBSIDIARIES (CONT'D)

Details of a subsidiary held through HCM (L) Bhd. are as follows:-

Name of Subsidiary	Principal Place of Business and Country of Incorporation	Percentage of Issued Share Capital Held by Parent 2024	Percentage of Issued Share Capital Held by Parent 2023	Principal Activities
Global Traders Ltd.*	FT Labuan	100%	100%	Dormant.

Details of subsidiaries held through Kumpulan Ikram Sdn. Bhd. are as follows:-

Name of Subsidiary	Principal Place of Business and Country of Incorporation	Percentage of Issued Share Capital Held by Parent 2024	Percentage of Issued Share Capital Held by Parent 2023	Principal Activities
Kumpulan Ikram (Sabah) Sdn. Bhd.	Malaysia	-	60%	Site investigation and soil testing services.
Ikram Education Sdn. Bhd.	Malaysia	100%	100%	Providing tertiary education.
Ikram Latihan Sdn. Bhd.*	Malaysia	100%	100%	Investment holding.
Ikram Libyana Sdn. Bhd.*	Malaysia	-	60%	Dormant.
Infrabuild BIM Sdn. Bhd.	Malaysia	-	100%	Dormant.
Ikram Infra Ventures Sdn. Bhd.*	Malaysia	100%	-	Providing training and education services.

Details of a subsidiary held through Ikram Education Sdn. Bhd. are as follows:-

Name of Subsidiary	Principal Place of Business and Country of Incorporation	Percentage of Issued Share Capital Held by Parent 2024	Percentage of Issued Share Capital Held by Parent 2023	Principal Activities
Ikram Infra Ventures Sdn. Bhd.*	Malaysia	-	100%	Providing training and education services.

5. INVESTMENTS IN SUBSIDIARIES (CONT'D)

Details of subsidiaries held through Protasco Trading Sdn. Bhd. are as follows:-

Name of Subsidiary	Principal Place of Business and Country of Incorporation	Percentage of Issued Share Capital Held by Parent 2024	2023	Principal Activities
QP Industries Sdn. Bhd.*	Malaysia	100%	100%	Dealing in materials for road pavement and road maintenance.
QP Trading Sdn. Bhd.*	Malaysia	100%	100%	Dealing in materials for road pavement.

Details of a subsidiary held through Protasco Infra Sdn. Bhd. are as follows:-

Name of Subsidiary	Principal Place of Business and Country of Incorporation	Percentage of Issued Share Capital Held by Parent 2024	2023	Principal Activities
Empayar Indera Sdn. Bhd.	Malaysia	51%	51%	Road maintenance and rehabilitation.

Details of subsidiaries held through Protasco Development Sdn. Bhd. are as follows:-

Name of Subsidiary	Principal Place of Business and Country of Incorporation	Percentage of Issued Share Capital Held by Parent 2024	2023	Principal Activities
Protasco Land Sdn. Bhd.	Malaysia	100%	100%	Property investment.
De Centrum Development Sdn. Bhd.	Malaysia	100%	100%	Property investment.
Sun Rock Development Sdn. Bhd.*	Malaysia	100%	100%	Property development.
De Centrum Land Sdn. Bhd.	Malaysia	100%	100%	Property development.
DC Resort Homes Sdn. Bhd.	Malaysia	100%	100%	Property development.
Jalur Saujana Sdn. Bhd.*	Malaysia	100%	100%	Dormant.

5. INVESTMENTS IN SUBSIDIARIES (CONT'D)

Details of a subsidiary held through Protasco Land Sdn. Bhd. are as follows:-

Name of Subsidiary	Principal Place of Business and Country of Incorporation	Percentage of Issued Share Capital Held by Parent		Principal Activities
		2024	2023	
Protasco Land SA (Pty) Ltd.*	South Africa	100%	100%	Dormant.

Details of subsidiaries held through Protasco Venture Partners Inc. are as follows:-

Name of Subsidiary	Principal Place of Business and Country of Incorporation	Percentage of Issued Share Capital Held by Parent		Principal Activities
		2024	2023	
Protasco Agro Ltd.[Δ]	British Virgin Islands	100%	100%	Dormant.
PT. Protasco Infra Indonesia ("PPII")[Δβ]	Indonesia	67%	67%	Dormant.

Details of subsidiaries held through Ikram Greentech Sdn. Bhd. are as follows:-

Name of Subsidiary	Principal Place of Business and Country of Incorporation	Percentage of Issued Share Capital Held by Parent		Principal Activities
		2024	2023	
I2 Energy Sdn. Bhd.	Malaysia	51%	51%	Solar panel installation contract work.
I2 Solarpark One Sdn. Bhd. ("I2SOSB")[Ω]	Malaysia	44%	44%	Supply of power and electricity derived from solar power plant.

5. INVESTMENTS IN SUBSIDIARIES (CONT'D)

Details of a subsidiary held through I2 Energy Sdn. Bhd. are as follows:-

Name of Subsidiary	Principal Place of Business and Country of Incorporation	Percentage of Issued Share Capital Held by Parent 2024	Percentage of Issued Share Capital Held by Parent 2023	Principal Activities
Solarcap Sdn. Bhd.*	Malaysia	100%	100%	Solar panel installation contract work.

Details of subsidiaries held through HCM Kasturi Sdn. Bhd. are as follows:-

Name of Subsidiary	Principal Place of Business and Country of Incorporation	Percentage of Issued Share Capital Held by Parent 2024	Percentage of Issued Share Capital Held by Parent 2023	Principal Activities
Ikram International Sdn.Bhd.*	Malaysia	51%	51%	Dormant.
Tenggara Food Industries Sdn. Bhd.*	Malaysia	51%	51%	Fruit processors and manufacturers.

Details of subsidiaries held through Ikram Works Sdn. Bhd. are as follows:-

Name of Subsidiary	Principal Place of Business and Country of Incorporation	Percentage of Issued Share Capital Held by Parent 2024	Percentage of Issued Share Capital Held by Parent 2023	Principal Activities
Ikram Engineering Services Sdn. Bhd.	Malaysia	100%	100%	Site investigation and soil testing services.
Ikram Skills Academy Sdn. Bhd.	Malaysia	-	100%	Provision of skills training courses.
Ikram QA Services Sdn. Bhd.	Malaysia	100%	100%	Certification and listing of products.
Ikram Paves Sdn. Bhd.	Malaysia	100%	100%	Provision of evaluation and testing services for road pavement.

5. INVESTMENTS IN SUBSIDIARIES (CONT'D)

Details of subsidiaries held through Ikram Works Sdn. Bhd. are as follows (Cont'd):-

Name of Subsidiary	Principal Place of Business and Country of Incorporation	Percentage of Issued Share Capital Held by Parent 2024	2023	Principal Activities
Ikram Engineering Consulting Sdn. Bhd.	Malaysia	100%	100%	Provision of engineering consultancy services.
Kumpulan Ikram (Sabah) Sdn. Bhd.	Malaysia	60%	-	Site investigation and soil testing services.
Ikram Libyana Sdn. Bhd.*	Malaysia	60%	-	Dormant.

Details of a subsidiary held through Infratech Dynamic Sdn. Bhd. are as follows:-

Name of Subsidiary	Principal Place of Business and Country of Incorporation	Percentage of Issued Share Capital Held by Parent 2024	2023	Principal Activities
Prasarana Bistari Sdn. Bhd.*Ω	Malaysia	40%	-	Road construction and rehabilitation.

Notes:-

* *These subsidiaries were audited by other firms of chartered accountants.*

∆ *These subsidiaries are not required to be audited under the laws of the country of incorporation.*

@ *The subsidiary is currently dormant and the audited financial statements and the auditors' reports on the financial statements are not available. The financial result of the subsidiary is not material to the Group.*

ß *A company incorporated in Indonesia with a registered capital of USD1 million. The Group agreed to contribute 67% of the registered share capital whilst the remaining 33% equity interests will be contributed by a local business partner. Both parties have yet to inject their respective agreed capital contribution into PPII at the end of the reporting period.*

Ω *These companies which have been assessed to be subsidiaries of the Group as the Group has control over these companies.*

\# *This subsidiary was newly incorporated during the financial year and the statutory auditors of this subsidiary has yet to be appointed.*

5. INVESTMENTS IN SUBSIDIARIES (CONT'D)

The details of non-controlling interests ("NCI") at the end of the reporting period are as follows:-

	Roadcare (M) Sdn. Bhd. ("Roadcare") %	Permint Granite-HCM Sdn. Bhd. ("PG-HCM") %	Empayar Indera Sdn. Bhd. ("EISB") %	Prasarana Bistari Sdn. Bhd. ("PBSB") %	HCM Arabia Sdn. Bhd. ("HCMA") %	Kumpulan Ikram (Sabah) Sdn. Bhd. ("KI-Sabah") %
Effective Equity Interest						
At 31.12.2023	49	30	49	60	22	40
At 31.12.2024	49	30	49	60	22	40

	Roadcare RM'000	PG-HCM RM'000	EISB RM'000	PBSB RM'000	HCMA RM'000	KI-Sabah RM'000	Others RM'000	Total RM'000
Total NCI								
Balance at 31.12.2023	37,529	4,274	14,658	(4,061)	(9,351)	1,840	(2,475)	42,414
Balance at 31.12.2024	50,862	3,211	17,238	833	(9,160)	2,212	(2,595)	62,601

5. INVESTMENTS IN SUBSIDIARIES (CONT'D)

The summarised financial information (before intra-group elimination) for each subsidiary that has NCI that are material to the Group is as follows:-

	Roadcare RM'000	PG-HCM RM'000	EISB RM'000	PBSB RM'000	HCMA RM'000	KI-Sabah RM'000
At 31 December 2024						
Non-current assets	15,052	2,389	5,995	122	-	885
Current assets	259,972	10,629	51,716	9,092	615	5,435
Non-current liabilities	(1,897)	(522)	(273)	(62)	-	(77)
Current liabilities	(169,328)	(1,792)	(22,259)	(7,764)	(42,249)	(712)
Net assets/(liabilities)	103,799	10,704	35,179	1,388	(41,634)	5,531
Financial year ended 31 December 2024						
Revenue	746,379	22,381	142,752	9,978	-	4,972
Profit/(Loss) for the financial year	52,211	2,459	8,264	(844)	(137)	931
Total comprehensive income/ (expenses)	52,211	2,459	8,264	(844)	871	931
Total comprehensive income/ (expenses) attributable to NCI	25,583	737	4,050	(506)	192	372
Dividends paid to NCI	12,250	1,800	1,470	-	-	-
Issuance of shares to NCI	-	-	-	5,400	-	-
Net cash flows from/(for) operating activities	116,394	9,558	17,052	(15,345)	(228)	1,137
Net cash flows (for)/from investing activities	(313)	(1,693)	(1,757)	112	-	(207)
Net cash flows (for)/from financing activities	(26,420)	(6,186)	(3,353)	8,976	-	96
Net increase/(decrease) in cash and cash equivalents	89,661	1,679	11,942	(6,257)	(228)	1,026

5. INVESTMENTS IN SUBSIDIARIES (CONT'D)

The summarised financial information (before intra-group elimination) for each subsidiary that has NCI that are material to the Group is as follows (Cont'd):-

	Roadcare RM'000	PG-HCM RM'000	EISB RM'000	PBSB RM'000	HCMA RM'000	KI-Sabah RM'000
At 31 December 2023						
Non-current assets	18,005	2,212	5,660	153	-	798
Current assets	171,764	16,434	43,229	7,696	843	4,545
Non-current liabilities	(2,747)	(245)	(416)	(87)	-	-
Current liabilities	(110,433)	(4,155)	(18,557)	(14,530)	(43,348)	(743)
Net assets/(liabilities)	76,589	14,246	29,916	(6,768)	(42,505)	4,600
Financial year ended 31 December 2023						
Revenue	545,206	24,140	135,178	1,169	-	5,044
Profit/(Loss) for the financial year	22,156	3,484	7,154	(899)	(301)	(1,460)
Total comprehensive income/ (expenses)	22,156	3,484	7,154	(899)	(1,226)	(1,460)
Total comprehensive income/ (expenses) attributable to NCI	10,857	1,045	3,505	(452)	(270)	(584)
Dividends paid to NCI	9,800	-	1,470	-	-	-
Net cash flows from/(for) operating activities	18,690	(2,287)	(2,414)	1 ,419	(151)	151
Net cash flows (for)/from investing activities	(2,366)	(644)	(602)	43	-	(40)
Net cash flows for financing activities	(21,353)	(152)	(4,118)	(15)	-	-
Net (decrease)/increase in cash and cash equivalents	(5,029)	(3,083)	(7,134)	1,447	(151)	111

6. INVESTMENTS IN ASSOCIATES

	The Group	
	2024 RM'000	2023 RM'000
Unquoted shares, at cost		
At 1 January	8,282	8,205
Addition during the financial year	-	77
Disposal during the financial year	(3,100)	-
At 31 December	5,182	8,282
Share of post acquisition results, net of dividend received	11,122	10,320
Foreign exchange translation reserve	(438)	(438)
	15,866	18,164
Redeemable preference shares	1,400	1,400
	17,266	19,564
Accumulated impairment losses	(2,679)	(2,679)
	14,587	16,885

During the financial year:-

(a) Ikram Education Sdn. Bhd. ("IESB"), an indirect wholly-owned subsidiary of the Company, disposed its remaining 2,500 ordinary shares held in Inven Molecular Systems Sdn. Bhd. ("IMS"), representing 5% equity interest held in IMS for a total cash consideration of RM1.

(b) Kumpulan Ikram Sdn. Bhd. ("KISB"), a wholly-owned subsidiary of the Company, disposed its remaining 1,500 ordinary shares in Ikram Premier Infrastructure Sdn. Bhd. ("IPI"), representing 30% equity interest held in IPI for a total cash consideration of RM1.

(c) KPS-HCM Sdn. Bhd. ("KPS"), a 49% equity interest associate held by HCM Engineering Sdn. Bhd. ("HCME") has undergone a Members' Voluntary Liquidation and the Group has accounted a deemed disposal of KPS upon the appointment of KPS's liquidator as the Group no longer has significant influence over KPS. Upon the dissolution, KPS will cease to be an associate company of the Group.

6. INVESTMENTS IN ASSOCIATES (CONT'D)

Details of associates held through HCM Engineering Sdn.Bhd. are as follows:-

Name of Associate	Principal Place of Business and Country of Incorporation	Percentage of Ownership 2024	Percentage of Ownership 2023	Principal Activities
KPS-HCM Sdn. Bhd.^	Malaysia	49%	49%	In liquidation.
DAL HCM Sdn. Bhd.	Malaysia	30%	30%	Road maintenance and rehabilitation.
PJP Barisan HCM JV Sdn. Bhd.	Malaysia	30%	30%	Road maintenance and rehabilitation.
V-HCM Engineering & Construction Co., Ltd. ("V-HCM")#ɸ	Kingdom of Cambodia	70%	70%	Road construction and rehabilitation.

Details of an associate held through Kumpulan Ikram Sdn. Bhd. are as follows:-

Name of Associate	Principal Place of Business and Country of Incorporation	Percentage of Ownership 2024	Percentage of Ownership 2023	Principal Activities
Ikram Premier Infrastructure Sdn. Bhd.	Malaysia	-	30%	Dormant.

Details of an associate held through Ikram Education Sdn. Bhd. are as follows:-

Name of Associate	Principal Place of Business and Country of Incorporation	Percentage of Ownership 2024	Percentage of Ownership 2023	Principal Activities
Inven Molecular Systems Sdn. Bhd.#	Malaysia	-	5%	Dormant.

6. INVESTMENTS IN ASSOCIATES (CONT'D)

Details of an associate held through HCM-Ikhtisas Sdn. Bhd. are as follows:-

Name of Associate	Principal Place of Business and Country of Incorporation	Percentage of Ownership 2024	Percentage of Ownership 2023	Principal Activities
Libyan Malaysian Company for Roads and Construction*	Libya	49%	49%	Construction and maintenance.

Details of associates held through Ikram Works Sdn. Bhd. are as follows:-

Name of Associate	Principal Place of Business and Country of Incorporation	Percentage of Ownership 2024	Percentage of Ownership 2023	Principal Activities
Ikram Premier Consulting Sdn. Bhd.	Malaysia	30%	30%	Provision of consultancy services.
Kumpulan Ikram (Sarawak) Sdn. Bhd.	Malaysia	30%	30%	Site investigation and soil testing services.

Notes:-

A company which has been assessed to be an associate of the Group as the Group has significant influence over the company.

ϕ *The associate company is not required to be audited under the laws of the country of incorporation.*

^ *A Company under Members' Voluntary Liquidation.*

* *The management accounts of Libyan Malaysian Company for Roads and Construction for the financial year ended 31 December 2024 has been used for the purpose of applying the equity method of accounting. As no results have been generated by the associated company during the financial year, there was no share of profit or loss recognised for the financial year.*

The Group has impaired its investment in Libyan Malaysian Company for Roads and Construction in prior years due to a civil war in Libya.

6. INVESTMENTS IN ASSOCIATES (CONT'D)

(a) The summarised unaudited financial information for the associate that is material to the Group is as follows:-

	KPS-HCM Sdn. Bhd. ("KPS")	
	2024 RM'000	2023 RM'000
At 31 December		
Non-current assets	-	-
Current assets	-	6,352
Non-current liabilities	-	-
Current liabilities	-	(188)
Net assets	-	6,164
12 months Period Ended 31 December		
Revenue	-	-
Profit for the financial period	-	625
Total comprehensive income	-	625
Group's share of profit for the financial period	-	306
Dividend received	-	2,494
Reconciliation of Net Assets to Carrying Amount		
Group's share of net assets above	-	3,020
Carrying amount of the Group's interest in this associate	-	3,020

The unaudited financial information for the financial year ended 31 December 2024 of KPS is not presented as KPS has undergone Members' Voluntary Liquidation and the Group has accounted a deemed disposal of KPS.

6. INVESTMENTS IN ASSOCIATES (CONT'D)

(a) The summarised unaudited financial information for the associate that is material to the Group is as follows (Cont'd):-

	DAL HCM Sdn. Bhd.	
	2024 RM'000	2023 RM'000
At 31 December		
Non-current assets	4,777	5,499
Current assets	73,977	66,882
Non-current liabilities	(611)	(853)
Current liabilities	(49,763)	(45,353)
Net assets	28,380	26,175
12 months Period Ended 31 December		
Revenue	144,714	96,907
Profit for the financial period	12,710	7,825
Total comprehensive income	12,710	7,825
Group's share of profit for the financial period	3,813	2,348
Dividend received	3,152	900
Reconciliation of Net Assets to Carrying Amount		
Group's share of net assets above	8,514	7,853
Goodwill	3,692	3,692
Carrying amount of the Group's interest in this associate	12,206	11,545

6. INVESTMENTS IN ASSOCIATES (CONT'D)

(a) The summarised unaudited financial information for the associate that is material to the Group is as follows (Cont'd):-

	PJP Barisan HCM JV Sdn. Bhd.	
	2024 RM'000	2023 RM'000
At 31 December		
Non-current assets	868	999
Current assets	14,193	9,185
Non-current liabilities	(45)	(59)
Current liabilities	(8,982)	(3,858)
Net assets	6,034	6,267
12 months Period Ended 31 December		
Revenue	33,036	27,241
Profit for the financial period	1,767	1,328
Total comprehensive income	1,767	1,328
Group's share of profit for the financial period	530	398
Dividend received	600	300
Reconciliation of Net Assets to Carrying Amount		
Group's share of net assets above	1,810	1,880
Carrying amount of the Group's interest in this associate	1,810	1,880

(b) The summarised unaudited financial information for all associates (except for Libyan Malaysian Company for Roads and Construction) that are individually immaterial to the Group is as follows:-

	Individually Immaterial Associates	
	2024 RM'000	2023 RM'000
Financial year ended 31 December		
Group's share of profit for the financial year	152	35
Aggregate carrying amount of the Group's interests in these associates	571	440

7. PROPERTY, PLANT AND EQUIPMENT

The Group	Freehold Land RM'000	Solar Plant RM'000	Buildings RM'000	Renovation RM'000	Reference Books, Office Equipment, Furniture and Fittings RM'000	Laboratory Equipment, Plant and Machinery RM'000	Motor Vehicles RM'000	Capital Work-in-Progress RM'000	Total RM'000
At cost									
At 1 January 2024	65,349	27,979	146,342	30,061	66,784	87,718	50,348	877	475,458
Additions	-	868	-	286	1,217	2,920	3,124	893	9,308
Disposals	-	-	-	(48)	(484)	(84)	(1,088)	-	(1,704)
Written off	-	-	-	-	(162)	(7)	(172)	-	(341)
Reclassification	-	-	-	1,770	-	-	-	(1,770)	-
Classified as held for sale (Note 22)	-	-	-	(8,436)	(19,491)	(15,620)	(1,005)	-	(44,552)
At 31 December 2024	65,349	28,847	146,342	23,633	47,864	74,927	51,207	-	438,169
Accumulated depreciation									
At 1 January 2024	-	3,630	31,041	24,894	60,665	77,410	36,477	-	234,117
Depreciation charges	-	1,334	2,849	1,126	2,315	2,347	3,222	-	13,193
Disposals	-	-	-	(48)	(482)	(83)	(1,032)	-	(1,645)
Written off	-	-	-	-	(162)	(7)	(99)	-	(268)
Classified as held for sale (Note 22)	-	-	-	(6,166)	(18,635)	(15,560)	(1,001)	-	(41,362)
At 31 December 2024	-	4,964	33,890	19,806	43,701	64,107	37,567	-	204,035
Carrying amount at 31 December 2024	65,349	23,883	112,452	3,827	4,163	10,820	13,640	-	234,134

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

The Group	Freehold Land RM'000	Solar Plant RM'000	Buildings RM'000	Renovation RM'000	Reference Books, Office Equipment, Furniture and Fittings RM'000	Laboratory Equipment, Plant and Machinery RM'000	Motor Vehicles RM'000	Capital Work-in-Progress RM'000	Total RM'000
At cost									
At 1 January 2023	62,782	27,752	144,116	29,479	66,134	85,347	49,056	-	464,666
Additions	2,567	227	2,226	526	1,153	3,025	3,063	877	13,664
Disposals	-	-	-	-	(470)	(882)	(2,400)	-	(3,752)
Acquisition of a subsidiary	-	-	-	84	11	235	629	-	959
Written off	-	-	-	(28)	(44)	(7)	-	-	(79)
At 31 December 2023	65,349	27,979	146,342	30,061	66,784	87,718	50,348	877	475,458
Accumulated impairment loss									
At 1 January 2023	-	-	2,608	-	-	-	-	-	2,608
Reversal	-	-	(2,608)	-	-	-	-	-	(2,608)
At 31 December 2023	-	-	-	-	-	-	-	-	-
Accumulated depreciation									
At 1 January 2023	-	2,305	28,230	23,689	58,726	75,002	34,603	-	222,555
Depreciation charges	-	1,325	2,811	1,153	2,368	2,406	3,572	-	13,635
Disposals	-	-	-	-	(410)	(230)	(2,085)	-	(2,725)
Acquisition of a subsidiary	-	-	-	80	11	235	387	-	713
Written off	-	-	-	(28)	(30)	(3)	-	-	(61)
At 31 December 2023	-	3,630	31,041	24,894	60,665	77,410	36,477	-	234,117
Carrying amount at 31 December 2023	65,349	24,349	115,301	5,167	6,119	10,308	13,871	877	241,341

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

The Company	Motor Vehicles RM'000	Office Equipment, Furniture and Fittings RM'000	Total RM'000
At cost			
At 1 January 2024	10	1,138	1,148
Additions	-	27	27
Written off	-	(2)	(2)
At 31 December 2024	10	1,163	1,173
Accumulated depreciation			
At 1 January 2024	(1)	(808)	(809)
Depreciation charges	(1)	(238)	(239)
Written off	-	(2)	(2)
At 31 December 2024	(2)	(1,048)	(1,050)
Carrying amount at 31 December 2024	8	115	123
At cost			
At 1 January 2023	-	1,135	1,135
Additions	10	16	26
Written off	-	(13)	(13)
At 31 December 2023	10	1,138	1,148
Accumulated depreciation			
At 1 January 2023	-	(578)	(578)
Depreciation charges	(1)	(242)	(243)
Written off	-	12	12
At 31 December 2023	(1)	(808)	(809)
Carrying amount at 31 December 2023	9	330	339

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

(a) The carrying amounts of the property, plant and equipment of the Group at the end of the reporting period pledged as security with the financial institutions for credit facilities granted to the Group as disclosed in Note 30 and Note 33 to the financial statements were as follows:-

	The Group	
	2024 RM'000	2023 RM'000
Freehold land	62,782	62,782
Buildings	22,804	59,733
Solar plant	23,883	24,349
	109,469	146,864

(b) Included in the carrying amounts of the property, plant and equipment of the Group at the end of the reporting period were the following assets held under hire purchase arrangements:-

	The Group	
	2024 RM'000	2023 RM'000
Plant and machineries	1,609	1,979
Motor vehicles	728	872
	2,337	2,851

8. INVESTMENT PROPERTIES

The Group

2024	Mall RM'000	Condominium RM'000	Total RM'000
At cost			
At 1 January 2024/31 December 2024	38,807	46,319	85,126
Accumulated depreciation			
At 1 January 2024	(6,672)	(7,001)	(13,673)
Depreciation charges	(850)	(972)	(1,822)
At 31 December 2024	(7,522)	(7,973)	(15,495)
Carrying amount at 31 December 2024	31,285	38,346	69,631
At fair value:-			
2024	37,000	55,088	

2023	Mall RM'000	Condominium RM'000	Total RM'000
At cost			
At 1 January 2023/31 December 2023	38,807	46,319	85,126
Accumulated depreciation			
At 1 January 2023	(5,821)	(6,029)	(11,850)
Depreciation charges	(851)	(972)	(1,823)
At 31 December 2023	(6,672)	(7,001)	(13,673)
Carrying amount at 31 December 2023	32,135	39,318	71,453
At fair value:-			
2023	37,000	55,088	

8. INVESTMENT PROPERTIES (CONT'D)

Notes:-

(a) The investment properties of the Group are leased to customers under operating leases with rentals payable monthly. The leases contain initial non-cancellable periods ranging from 1 to 15 years and an option that is exercisable by the customers to extend their leases ranging from 1 to 3 years.

The Group requires 1 to 3 months of advanced rental payments from the customers. When considered necessary, the Group would require a bank guarantee on certain of its lease arrangements. The leases do not include residual value guarantee and variable lease payments that depend on an index or rate.

(b) As at the reporting date, the future minimum rentals receivable under the non-cancellable operating leases are as follows:-

The Group	Mall RM'000	Condominium RM'000	Total RM'000
2024			
Within 1 year	1,281	3,240	4,521
Between 1 and 2 years	1,311	-	1,311
Between 2 and 3 years	1,311	-	1,311
Between 3 and 4 years	1,311	-	1,311
Between 4 and 5 years	1,371	-	1,371
Later than 5 years	2,023	-	2,023
	8,608	3,240	11,848
2023			
Within 1 year	1,535	3,961	5,496
Between 1 and 2 years	1,444	-	1,444
Between 2 and 3 years	1,512	-	1,512
Between 3 and 4 years	1,512	-	1,512
Between 4 and 5 years	1,512	-	1,512
Later than 5 years	2,875	-	2,875
	10,390	3,961	14,351

8. INVESTMENT PROPERTIES (CONT'D)

(c) The fair values of the investment properties are within level 2 of the fair value hierarchy.

The fair values of investment properties were determined by reference to:-

(i) market evidence of transaction prices for similar properties;
(ii) valuation reports performed by registered valuers having appropriate professional qualification; and
(iii) recent experience in the locations and category of properties being valued.

The most significant input into these valuation approaches is the price per square foot of comparable properties.

9. RIGHT-OF-USE ASSETS

The Group	At 1.1.2024 RM'000	Additions RM'000	Depreciation Charges RM'000	Reassessment of Lease Liabilities RM'000	At 31.12.2024 RM'000
Carrying Amount					
Leasehold land	6,589	-	(281)	-	6,308
Offices and shop lots	3,654	908	(2,272)	362	2,652
	10,243	908	(2,553)	362	8,960

The Group	At 1.1.2023 RM'000	Additions RM'000	Depreciation Charges RM'000	Reassessment of Lease Liabilities RM'000	At 31.12.2023 RM'000
Carrying Amount					
Leasehold land	6,731	140	(282)	-	6,589
Offices and shop lots	2,461	2,813	(2,210)	590	3,654
	9,192	2,953	(2,492)	590	10,243

(a) The Group leases certain pieces of leasehold land, various offices and shop lots of which the leasing activities are summarised below:-

(i) Leasehold land — The Group has entered into several non-cancellable operating lease agreements for the use of land. The leases are for a period of 99 years with no renewal or purchase option included in the agreements.

(ii) Offices and shop lots — The Group has leased a number of offices and shop lots that run between 1 year and 3 years, with an option to renew the lease after that date.

10. INVENTORIES

	The Group	
	2024 RM'000	2023 RM'000
Non-current:-		
Land held for property development (Note 10(a))	35,899	35,899
Current:-		
Property development costs (Note 10(b))	22,543	17,245
Stores and spares	12,788	1,536
Developed properties held for sale	18,868	24,828
	54,199	43,609
	90,098	79,508

(a) Land held for property development (non-current)

	The Group	
	2024 RM'000	2023 RM'000
At 1 January	35,899	41,067
Transfer to property development costs	-	(5,168)
At 31 December	35,899	35,899
Comprise:-		
Freehold land - proprietor's entitlement	35,899	35,899

10. INVENTORIES (CONT'D)

(b) Property development costs (current)

	The Group	
	2024 RM'000	**2023 RM'000**
At 1 January:-		
Freehold land	2,885	1,450
Right-of-use assets (leasehold land)	-	12,265
Development costs	14,360	4,911
	17,245	18,626
During the financial year:-		
Additions	17,209	17,867
Transferred from land held for property development	-	5,168
	17,209	23,035
Costs recognised in profit or loss during the financial year:-		
Development costs	(11,041)	(14,273)
Transfer to completed projects	(870)	(10,143)
At 31 December	22,543	17,245
Represented by:-		
Freehold land	721	2,885
Development costs	21,822	14,360
	22,543	17,245

The freehold land included in the property development costs of the Group are pledged to a licensed bank as security for banking facilities granted to the Group as disclosed in Note 30 to the financial statements.

11. LONG-TERM INVESTMENTS

	The Group	
	2024 RM'000	2023 RM'000
At fair value:-		
Unquoted shares	10	10
Golf club memberships	510	495
	520	505
Unquoted shares:-		
At 1 January/31 December	10	10
Golf club memberships:-		
At 1 January	495	135
Addition during the year	15	360
At 31 December	510	495
	520	505

12. DEFERRED TAX ASSETS/(LIABILITIES)

	The Group	
	2024 RM'000	2023 RM'000
At 1 January	(2,239)	(2,315)
Recognised in profit or loss (Note 38)	197	76
Classified as held for sale (Note 22)	92	-
At 31 December	(1,950)	(2,239)
Presented as follows:-		
Deferred tax assets	119	117
Deferred tax liabilities	(2,069)	(2,356)
	(1,950)	(2,239)

12. DEFERRED TAX ASSETS/(LIABILITIES) (CONT'D)

The deferred tax assets/(liabilities) recognised at the end of the reporting period and before appropriate offsetting are as follows:-

	The Group	
	2024 RM'000	2023 RM'000
Deferred tax assets:-		
Provisions	-	1,916
Lease liabilities	1,334	1,539
Unutilised tax losses	5	563
Unabsorbed capital allowances	7	1,813
	1,346	5,831
Deferred tax liabilities:-		
Accelerated capital allowances	(2,093)	(7,171)
Right-of-use assets	(1,203)	(899)
	(3,296)	(8,070)
Net	(1,950)	(2,239)

The deferred tax assets on unutilised tax losses and unabsorbed capital allowances have been recognised by certain subsidiaries on the basis of their previous history of recording profits and to the extent that it is probable that future taxable profits will be available against which temporary differences can be utilised.

12. DEFERRED TAX ASSETS/(LIABILITIES) (CONT'D)

At the end of the reporting period, the amounts of deferred tax assets not recognised (stated at gross) due to uncertainty of their realisation are as follows:-

	The Group		The Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Excess of depreciation over capital allowances	51	115	45	10
Provisions	3,447	13,765	-	-
Unutilised tax losses expires in year of assessment:				
- expiring within 1 to 5 years	37,348	34,153	-	-
- expiring within 6 to 10 years	75,189	68,083	-	-
Unabsorbed capital allowances	54,940	48,516	265	359
Others	366	(136)	-	-
	171,341	164,496	310	369

Certain comparative figures have been restated to reflect the revised tax losses carry-forward and other temporary differences available to the Group.

Based on the current legislation, the unused tax losses up to the year of assessment 2018 can be carried forward until the year of assessment 2028 and the unused tax losses for 2019 onwards are allowed to be utilised for 10 consecutive years of assessment immediately following that year of assessment while the unabsorbed capital allowances are allowed to be carried forward indefinitely.

13. CONTRACT COST ASSETS

	The Group	
	2024 RM'000	2023 RM'000
Costs to fulfil a contract	9,412	4,050
Allowance for impairment losses	(16)	(113)
	9,396	3,937

The costs to fulfil a contract mainly represent material and related costs incurred for construction and energy solution works that will be used to fulfil the related contract in future. The costs were amortised on a straight-line method over the term of the specific contract it relates to, consistent with the pattern of recognition of the associated revenue.

14. TRADE RECEIVABLES

	The Group	
	2024 RM'000	2023 RM'000
Trade receivables	170,005	218,298
Unbilled receivables	6,486	6,014
Retention sums	68,906	59,378
	245,397	283,690
Allowance for impairment losses	(38,497)	(47,652)
	206,900	236,038
Allowance for impairment losses:-		
At 1 January	(47,652)	(58,212)
Addition during the financial year	(3,874)	(4,577)
Reversal during the financial year	11,377	12,841
Write-off during the financial year	754	2,296
Classified as held for sale	898	-
At 31 December	(38,497)	(47,652)

The Group's normal trade credit terms range from 30 to 90 (2023 - 30 to 90) days. Other credit terms are assessed and approved on a case-by-case basis.

The retention sums are unsecured, interest-free and due to be received within 6 to 24 months or within normal operating cycle (2023 - 6 to 24 months or within normal operating cycle).

15. CONTRACT ASSETS/(LIABILITIES)

	The Group	
	2024 RM'000	2023 RM'000
Contract assets relating to:		
- Construction contracts	1,909	2,046
- Property development	2,155	2,513
	4,064	4,559

The contract assets primarily relate to the Group's right to consideration for completed works but not yet billed as at the reporting date. The contract assets are recoverable upon billing to customers.

	The Group	
	2024 RM'000	2023 RM'000
Contract liabilities relating to:		
- Amount billed for unfulfilled performance obligation	(2,146)	(439)
- Advances received from customers	(10,144)	(10,000)
	(12,290)	(10,439)

The contract liabilities primarily relate to advances received from contract customers to render services of which the amount will be recognised as revenue over the remaining contract terms when the performance obligations are satisfied.

16. OTHER RECEIVABLES, DEPOSITS AND PREPAYMENTS

	The Group		The Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Other receivables	98,203	91,704	84,680	84,697
Deposits	25,827	28,211	17	17
Prepayments	2,011	3,739	6	4
	126,041	123,654	84,703	84,718
Allowance for impairment losses	(113,862)	(108,606)	(84,644)	(84,644)
	12,179	15,048	59	74
Allowance for impairment losses:-				
At 1 January	(108,606)	(109,193)	(84,644)	(84,644)
Addition during the financial year	(5,400)	-	-	-
Reversal during the financial year	144	587	-	-
At 31 December	(113,862)	(108,606)	(84,644)	(84,644)

(a) Included in the other receivables and deposits of the Group and of the Company was an amount of RM84,643,170 (2023 - RM84,643,170) paid for the proposed acquisition of 78,750,000 ordinary shares of IDR1,000 each, representing 63% equity interest in PT Anglo Slavic Indonesia. The amount has been fully impaired in the financial year ended 31 December 2014. Notwithstanding that, the Group has initiated legal proceedings to recover the amount as disclosed in Note 47(a) to the financial statements.

(b) Included in the deposits of the Group was an amount of RM18,904,000 (2023 - RM18,904,000) paid as coal trades deposits. The amount has been fully impaired in the financial year ended 31 December 2014. Notwithstanding that, the Group has initiated legal proceedings to recover the amount as disclosed in Note 47(b) to the financial statements.

17. AMOUNTS OWING BY/(TO) SUBSIDIARIES

	The Company	
	2024 RM'000	2023 RM'000
Amount Owing by Subsidiaries		
Non-trade balances	80,643	96,371
Allowance for impairment losses	(5,942)	(5,828)
	74,701	90,543
Allowance for impairment losses:-		
At 1 January	(5,828)	(1,260)
Addition during the financial year	(114)	(4,568)
At 31 December	(5,942)	(5,828)
Amount Owing to Subsidiaries		
Non-trade balances	(1,836)	(4,218)

The amounts owing are non-trade in nature, unsecured, and bore effective interest rates ranging from 5.53% to 7.70% (2023 - 5.53% to 7.70%) per annum and repayable on demand. The amounts owing are to be settled in cash.

18. AMOUNTS OWING BY/(TO) ASSOCIATES

	The Group	
	2024 RM'000	2023 RM'000
Amount Owing by Associates		
Trade balances	4,434	775
Amount Owing to Associates		
Trade balances	(5,270)	(4,353)

The trade balances are subject to normal trade credit terms ranging from 30 to 90 (2023 - 30 to 90) days. Other credit terms are assessed and approved on a case-by-case basis.

19. SHORT-TERM INVESTMENTS

	The Group	
	2024 RM'000	2023 RM'000
Money market fund, at fair value	21,349	16,243

Short-term investments are classified as financial assets at fair value through profit or loss, measured at fair value.

20. DEPOSITS WITH LICENSED BANKS

Deposits with licensed banks of the Group and of the Company amounting to approximately RM13,405,000 and RM2,018,000 (2023 - RM11,722,000 and RM1,622,000) respectively, are pledged to banks for bank guarantees and credit facilities granted to the Group and the Company.

The effective interest rates of the deposits with licensed banks at the end of the reporting period were as follows:-

	The Group		The Company	
	2024 %	2023 %	2024 %	2023 %
Effective Interest Rates	1.85 to 3.80	1.25 to 3.80	2.00	2.00

The maturity periods of the deposits with licensed banks at the end of the reporting period were as follows:-

	The Group		The Company	
	2024	2023	2024	2023
Maturity periods (day)	1 to 365	1 to 365	30	30

21. CASH AND BANK BALANCES

Included in cash and bank balances of the Group are as follows:-

(i) a sum of RM1,730,547 (2023 - RM2,815,005) held under a Housing Development Account pursuant to Section 7A of the Housing Development (Control & Licensing) Act 1966.

(ii) a Debt Service Account amounting to approximately RM1,000,000 (2023 - RM1,000,000) pledged to a licensed bank for bank overdraft facilities granted to a subsidiary.

(iii) a Finance Service Account amounting to approximately RM402,000 (2023 - RM402,000) pledged to a licensed bank for term loan facility granted to a subsidiary.

22. DISPOSAL GROUP CLASSIFIED AS HELD FOR SALE

On 21 July 2024, the Company announced the disposal of its indirect wholly-owned subsidiary namely, Ikram Education Sdn. Bhd. ("IESB"), which consists of the education segment. IESB has been underperforming for the past few financial years and the decision of the proposed disposal allows the Group an opportunity to unlock and monetise its investment in IESB.

At the end of the reporting period, the assets and liabilities of the education business have been presented in the consolidated statement of financial position as "Assets of disposal group classified as held for sale" and "Liabilities of disposal group classified as held for sale", and its results (including the comparative figures) have also been presented separately on the consolidated statement of profit or loss and the other comprehensive income as "Loss after taxation from discontinuing operations".

The assets and liabilities of the disposal group are as follows:-

	The Group 2024 RM'000
Assets	
Property, plant and equipment	3,190
Trade receivables	2,708
Other receivables and deposits	682
Current tax asset	48
Deposit with a licensed bank	150
Cash and bank balances	4,155
Assets of disposal group classified as held for sale	10,933
Liabilities	
Deferred tax liability	92
Trade payables	6,373
Other payables and accruals	11,996
Liabilities of disposal group classified as held for sale	18,461

The carrying amount of the non-current asset is the same as its carrying amount before it was reclassified as held for sale.

23. SHARE CAPITAL

	The Group/The Company			
	2024	2023	2024	2023
	Number of Shares			
	'000	'000	RM'000	RM'000
Issued and fully paid-up				
Ordinary Shares				
At 1 January/31 December	495,392	495,392	249,437	249,437

Of the total 495,392,310 (2023 - 495,392,310) issued and fully paid-up ordinary shares at the end of the reporting period, ordinary shares amounted to 13,656,900 (2023 - 13,656,900) were held as treasury shares by the Company. At the end of the reporting period, the number of outstanding ordinary shares in issue and fully paid-up, net of treasury shares, amounted to 481,735,410 (2023 - 481,735,410).

The holders of ordinary shares (except treasury shares) are entitled to receive dividends as and when declared by the Company, and are entitled to one vote per ordinary share at meetings of the Company. The ordinary shares have no par value.

24. TREASURY SHARES

	The Group/The Company	
	2024 RM'000	2023 RM'000
At 1 January/31 December	3,753	3,753

The amount relates to the acquisition cost of treasury shares.

At the annual general meeting held on 30 May 2024, the shareholders of the Company approved the Company's plan to repurchase its own shares. The Directors of the Company are committed to enhancing the value of the Company to its shareholders and believe that the repurchase plan can be applied in the best interests of the Company and its shareholders.

During the financial year, there were no repurchase of ordinary shares from the open market and no resale of issued ordinary shares that were held as treasury shares. The details of the treasury shares are as follows:

	Number of Shares	Total Costs RM'000
At 1 January/31 December	13,656,900	3,753

The total shares purchased under the share buy-back programme were financed by internally generated funds. The shares purchased were retained as treasury shares in accordance with Section 127(6) of the Companies Act 2016 and are presented as a deduction from shareholders' equity.

25. FOREIGN EXCHANGE TRANSLATION RESERVE

The exchange fluctuation reserve arose from the translation of the financial statements of foreign subsidiaries, foreign associates and foreign branch and is not distributable by way of dividends.

26. CAPITAL RESERVE

The capital reserve relates to the Group's portion of bonus shares issued by a sub-subsidiary through the capitalisation of its retained profits account. The reserve is not distributable as cash dividends.

27. LONG-TERM BORROWINGS

	The Group	
	2024 RM'000	**2023 RM'000**
Secured:-		
Hire purchase payables (Note 29)	1,448	1,682
Term loans (Note 30)	23,665	35,856
	25,113	37,538

The long-term borrowings are obtained in accordance with the following terms:-

	The Group	
	2024 RM'000	**2023 RM'000**
Conventional:-		
Hire purchase payables	1,158	1,373
Term loans	914	5,082
	2,072	6,455
Islamic:-		
Hire purchase payables	290	309
Term loans	22,751	30,774
	23,041	31,083
	25,113	37,538

28. LEASE LIABILITIES

	The Group	
	2024 RM'000	2023 RM'000
At 1 January	8,048	6,957
Addition during the financial year	908	2,813
Interest expense recognised in profit or loss (Note 37)	527	562
Changes due to reassessment of lease term	362	590
Repayment of principal	(2,417)	(2,312)
Repayment of interest expense	(527)	(562)
At 31 December	6,901	8,048
Analysed by:-		
Current liabilities	2,003	2,122
Non-current liabilities	4,898	5,926
	6,901	8,048

29. HIRE PURCHASE PAYABLES

	The Group	
	2024 RM'000	2023 RM'000
Minimum hire purchase payments:		
- not later than 1 year	695	621
- later than 1 year and not later than 5 years	1,518	1,890
- later than 5 years	66	74
	2,279	2,585
Less: Future finance charges	(242)	(377)
Present value of hire purchase payables	2,037	2,208
Analysed by:-		
Current liabilities (Note 33)	589	526
Non-current liabilities (Note 27)	1,448	1,682
	2,037	2,208

29. HIRE PURCHASE PAYABLES (CONT'D)

(a) The hire purchase payables of the Group are secured by certain property, plant and equipment under hire purchase arrangement as disclosed in Note 7(b) to the financial statements. The hire purchase arrangements will be expiring in 1 to 6 (2023 - 2 to 7) years.

(b) The hire purchase payables of the Group at the end of the reporting period bore effective interest rates ranging from 2.41% to 6.36% (2023 - 2.41% to 6.36%) per annum. The interest rates are fixed at the inception of the hire purchase arrangements.

30. TERM LOANS

	The Group	
	2024 RM'000	2023 RM'000
Current (Note 33):		
- not later than 1 year	11,565	23,648
Non-current (Note 27):		
- later than 1 year but not later than 2 years	5,462	20,158
- later than 2 years but not later than 5 years	8,972	3,351
- later than 5 years	9,231	12,347
	23,665	35,856
	35,230	59,504

30. TERM LOANS (CONT'D)

Details of the repayment terms are as follows:-

Term Loan	Number of Monthly Installment	Monthly Installments RM	Date of Commencement of Repayment	The Group Amount Outstanding 2024 RM'000	2023 RM'000
1	240	8,205	February 2011	564	637
2	240	3,809	March 2012	271	304
3	120	#	June 2017	2,584	8,584
4	*	*	October 2018	-	4,697
5	**	**	March 2020	8,400	14,000
6	143	41,808	March 2021	3,129	3,468
7	143	247,045	July 2021	19,247	21,201
8	^	^	April 2023	-	299
9	^	^	July 2024	-	4,636
10	^	^	January 2024	855	1,498
11	@	@	May 2028	180	180
				35,230	59,504

Notes:-

\# *The repayment of the term loan will be commencing on the 25th month from the date of first drawdown. The monthly repayment schedule is as follows:-*

				RM'000
(i)	*1st*	-	*24th month*	-
(ii)	*25th*	-	*48th month*	*250*
(iii)	*49th*	-	*60th month*	*400*
(iv)	*61st*	-	*108th month*	*500*
(v)	*109th*	-	*143rd month*	*700*
(vi)	*144th*			*12,700*

* *The term loan was repayable on quarterly basis with 22 quarter instalments of RM1,339,000 per quarter.*

** *The term loan is repayable on quarterly basis with 20 equal instalments of RM1,400,000 per quarter and repayable as follows, whichever is earlier:-*

(a) upon expiry of twenty-four (24) months period from the date of the first disbursement of the term loan; or

(b) upon full disbursement of the term loan.

30. TERM LOANS (CONT'D)

Notes (Cont'd):-

^ *The term loan is repayable on monthly basis and repayable as follows, whichever is earlier:-*

(a) upon expiry of thirty-six (36) months period commence on 19th month from the date of the first disbursement of the term loan; or

(b) upon redemption of the term loan.

@ *The term loan is repayable upon the end of the 5 years maturity period from 28 May 2023.*

Term loans 1 to 11 are secured by a corporate guarantee of the Company. In addition, the respective term loans are secured as follows:-

Term Loans 1 and 2 are secured by legal charges over certain freehold land and buildings of the Group as disclosed in Note 7(a) to the financial statements.

Term Loan 3 is secured by:-

(a) a third party legal charge over the freehold land which is included in the property development costs of a subsidiary as disclosed in Note 10 (b) to the financial statements;

(b) a third party legal charge over certain freehold land and building of a subsidiary;

(c) a fixed and floating charge over all present and future asset of a certain project of a subsidiary;

(d) a legal charge and an assignment over the Project Account of the property development project of a subsidiary; and

(e) a legal charge and an assignment over the residual value in the Housing Development Account upon completion of a certain project of a subsidiary.

Term Loan 4 was secured by:-

(a) a Facility Agreement stamped to the amount of facilities advance; and

(b) a third party charge ranking pari passu with all existing charges over the property held under a subsidiary.

Term Loan 5 is secured by:-

(a) a first party legal charge over the freehold land of the Group as disclosed in Note 7(a) to the financial statements; and

(b) a charge over the Finance Service Reserve Account maintained by a subsidiary as disclosed in Note 21 (iii) to the financial statements.

Term Loans 6 and 7 are secured by legal charges over the solar plant of the Group as disclosed in Note 7(a) to the financial statements.

Term loan 8 to 10 are secure by legal charges over certain freehold land of a subsidiary.

Term loan 11 is secured by legal charge over the solar plant of the Group as disclosed in Note 7(a) to the financial statements.

31. TRADE PAYABLES

	The Group	
	2024 RM'000	2023 RM'000
Trade payables	76,710	94,038
Accrued costs	126,723	83,466
Retention sums	41,813	26,734
	245,246	204,238
Deferred income	-	3,694
	245,246	207,932

The normal trade credit terms granted to the Group range from 14 to 180 (2023 - 14 to 180) days.

The retention sums are unsecured, interest-free and due to be paid within 6 to 12 (2023 - 6 to 12) months or within normal operating cycle.

In the previous financial year, the deferred income represents course fees received in advance from students and will be recognised as revenue over the period of the courses.

32. OTHER PAYABLES AND ACCRUALS

		The Group		The Company	
	Note	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Non-current:-					
Other payables	(a)	23,576	24,149	-	-
Current:-					
Other payables	(b)	23,485	33,562	118	33
Accruals		15,245	14,086	1,155	1,837
Sales and service tax payable		9,469	15,408	-	-
		48,199	63,056	1,273	1,870
		71,775	87,205	1,273	1,870

(a) The non-current payables represent the proprietor's entitlement payable to Penmaland Sdn. Bhd., pursuant to the Joint Development Agreement dated 1 March 2019.

(b) Included in other payables of the Group is an advance payment received from the Government of Malaysia amounting to RM8,700,000 (2023 - RM8,700,000). The amount owing is interest-free, repayable on demand and secured by a corporate guarantee given by a subsidiary to the Government of Malaysia. The amount owing is to be settled in cash.

33. SHORT-TERM BORROWINGS

	The Group	
	2024 RM'000	2023 RM'000
Secured:-		
Revolving credit	79,257	68,757
Hire purchase payables (Note 29)	589	526
Term loans (Note 30)	11,565	23,648
Bills payable	28,652	41,149
Invoice financing	4,816	3,134
Total short-term borrowings	124,879	137,214

The short-term borrowings are obtained in accordance with the following terms:-

	The Group	
	2024 RM'000	2023 RM'000
Conventional:-		
Revolving credit	49,757	38,757
Hire purchase payables	492	462
Term loans	3,540	11,056
Bills payable	11,346	16,923
	65,135	67,198
Islamic:-		
Revolving credit	29,500	30,000
Hire purchase payables	97	64
Term loans	8,025	12,592
Bills payable	17,306	24,226
Invoice financing	4,816	3,134
	59,744	70,016
Total short-term borrowings	124,879	137,214

The secured revolving credit is secured by:-

(a) a corporate guarantee of the Company;

(b) fixed and floating charges on certain property, plant and equipment as disclosed in Note 7(a) to the financial statements; and

(c) a pledge of certain deposits placed with licensed banks as disclosed in Note 20 to the financial statements.

34. BANK OVERDRAFTS

Included in the bank overdrafts is approximately RM19,940,000 (2023 - RM19,798,000) which is secured by:-

(i) a Debt Service Account maintained by a subsidiary as disclosed in Note 21(ii) to the financial statements;

(ii) a fixed and floating charge over all present and future assets of the property development project of a subsidiary;

(iii) deed of assignment over the Project Account of the property development project of a subsidiary; and

(iv) a corporate guarantee of the Company.

35. REVENUE

	The Group		The Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Continuing Operations				
Gross dividends from subsidiaries	-	-	1,100	500
Management fees from:				
- subsidiaries	-	-	8,420	8,473
- associates	572	268	321	268
Maintenance	911,512	704,524	-	-
Construction	33,474	23,845	-	-
Property development	24,333	18,012	-	-
Engineering & consulting services	27,921	52,067	-	-
Trading & manufacturing	245,460	282,388	-	-
Clean energy	20,070	11,008	-	-
Hotel & hospitality	12,696	13,405	-	-
Asset management	1,097	898	-	-
Agriventure	446	141	-	-
	1,277,581	1,106,556	9,841	9,241
Discontinuing Operations				
Education	30,057	25,003	-	-
	1,307,638	1,131,559	9,841	9,241

(a) Other than the contracts for original periods of one year or less, the transaction price allocated for the remaining performance obligations that are unsatisfied or partially unsatisfied as at the end of the reporting period in relation to maintenance and clean energy services amounting to approximately RM223,096,000 (2023 - RM248,712,000) are expected to be recognised as revenue within 1 to 2 (2023 - 4) years.

35. REVENUE (CONT'D)

(b) The information about the respective revenue by nature is summarised as below:-

No.	Revenue by Nature	Timing and Method of Revenue Recognition
1	Dividend income	- Dividend income is recognised at point in time when the right to receive dividend payment is established.
2	Management fee	- Management fee is recognised over time in the period in which the services are rendered.
3	Maintenance	- Revenue is recognised over time in the period in which the services are rendered using the output method.
4	Construction	- Revenue is recognised over time in the period in which the services are rendered using the output method by reference to the construction progress based on the physical proportion of construction work certified by professional consultants.
5	Property development	- Revenue is recognised over time or point in time depending on the terms of the contract and the laws that apply to the contract on determining as and when control of the asset is transferred to the customer. If control of the asset transfers over time, revenue is recognised over the period of the contract using an input method which is based on cost incurred to-date relative to the total expected cost to the satisfaction of that performance obligation. Otherwise, revenue is recognised at point in time when customer obtains control of the asset. - Revenue arising from sale of completed properties is recognised at point in time when the control of the properties has been transferred to the purchaser, being when the properties have been completed and delivered to the customer.
6	Engineering & consultancy services	- Revenue is recognised over time in the period in which the services are rendered using the output method. - Revenue arising from issuance of engineering report is recognised at point in time when the goods have been delivered to the customer.
7	Trading & manufacturing	- Revenue is recognised at point in time when control of the goods are transferred to the customer, being when the goods have been delivered to the customer and upon its acceptance.
8	Education	- Revenue is recognised on an accrual basis whereas non-refundable registration and enrolment fees are recognised when chargeable.
9	Clean energy	- Revenue arising from engineering, procurement, construction and commissioning ("EPCC") services is recognised over time in the period in which the goods and services rendered using the output method, by reference to the percentage of completion of the work progress report. - Revenue arising from sale of energy is recognised over time upon delivery of electricity by kilowatt-hour to the utility company's grid and acceptance by the utility company.
10	Hotel & hospitality	- Revenue arising from hotel room rental is recognised over time during the period of stay for the customer. - Revenue arising from sale of food, beverage and other ancillary services is recognised at point in time when the goods have been delivered to the customer and/or the services have been rendered.

35. REVENUE (CONT'D)

(b) The information about the respective revenue by nature is summarised as below (Cont'd):-

No.	Revenue by Nature	Timing and Method of Revenue Recognition
11	Asset management	- Revenue arising from rental of premises is recognised over time on a straight-line method over the lease term. - Revenue arising from property management services is recognised over time in the period in which the services are rendered.
12	Agriventure	- Revenue is recognised at point in time when control of the goods are transferred to the customer, being when the goods have been delivered to the customer and upon its acceptance.

The normal credit terms range from 30 to 90 (2023 - 30 to 90) days from the invoice date. Other credit terms are agreed on a case-by-case basis.

There is no significant financing component in the selling price as the sales are made on normal credit terms not exceeding 12 months.

36. NET IMPAIRMENT LOSSES ON FINANCIAL ASSETS

	The Group		The Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Continuing Operations				
Impairment losses:				
- trade receivables (Note 14)	2,141	4,577	-	-
- other receivables (Note 16)	5,400	-	-	-
- amount owing by subsidiaries (Note 17)	-	-	114	4,568
Reversal of impairment losses:				
- trade receivables (Note 14)	(11,220)	(9,099)	-	-
- other receivables (Note 16)	(144)	(587)	-	-
	(3,823)	(5,109)	114	4,568
Discontinuing Operations				
Impairment losses:				
- trade receivables (Note 14)	1,733	-	-	-
Reversal of impairment losses:				
- trade receivables (Note 14)	(157)	(3,742)	-	-
	1,576	(3,742)	-	-
	(2,247)	(8,851)	114	4,568

37. PROFIT/(LOSS) BEFORE TAXATION

	The Group		The Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Profit/(Loss) before taxation is arrived at after charging/(crediting):-				
Audit fee:				
- for the financial year	955	871	99	94
- underprovision in the previous financial year	70	98	5	6
Non-audit fee:				
- for the financial year	8	5	8	5
Bad debts written off	143	8	-	-
Depreciation:				
- property, plant and equipment	13,193	13,635	243	243
- investment properties	1,822	1,823	-	-
- right-of-use assets	2,553	2,492	-	-
Property, plant and equipment written off	73	18	-	1
Direct operating expenses on investment properties	1,877	2,050	-	-
Directors' remuneration (Note 44)	7,230	6,956	1,375	2,402
Impairment losses:				
- contract cost assets	-	113	-	-
Interest expense:				
- bank overdrafts	3,824	3,310	503	405
- bills payable	1,845	1,562	-	-
- hire purchase	175	90	-	7
- lease liabilities	527	562	-	-
- revolving credit	3,949	3,477	-	-
- term loans	2,569	3,390	-	-
- bank guarantees	119	83	-	-
- invoice financing	171	22	-	-
- unwinding of discount on other payables	(573)	312	-	-
- others	-	-	108	102
Inventories written off	21	1	-	-
Lease expenses:				
- short-term leases	2,206	1,224	413	375
- low-value leases	94	42	17	20

37. PROFIT/(LOSS) BEFORE TAXATION (CONT'D)

	The Group		The Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Profit/(Loss) before taxation is arrived at after charging/(crediting):-				
Staff costs:				
- salaries, wages, bonuses and allowances	85,613	70,157	3,722	4,046
- defined contribution benefits	9,606	7,182	556	492
- other benefits	8,616	7,026	309	340
Dividend income from subsidiaries	-	-	(1,100)	(500)
Dividend income from associates	(3,751)	(3,694)	-	-
Gain on disposal of property, plant and equipment	(67)	(269)	-	-
Fair value (gain)/loss on financial liabilities measured at fair value through profit or loss mandatorily:				
- derivatives	(22)	22	-	-
Interest income from:				
- financial institutions	(1,702)	(1,300)	(36)	(31)
- subsidiaries	-	-	(1,663)	(1,616)
Government grant	-	(1)	-	(1)
Income from short-term investments	(97)	(215)	-	-
Loss on disposal of investment in associates	56	-	-	-
Net foreign exchange loss/(gain):				
- realised	39	434	-	-
- unrealised	(21)	7	-	-
Lease income:				
- property, plant and equipment	(202)	(175)	-	-
Reversal of impairment losses on				
- property, plant and equipment	-	(2,608)	-	-
- contract cost assets	(97)	-	-	-

38. INCOME TAX EXPENSE

	The Group		The Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Current tax expense:				
- for the financial year	24,149	13,801	366	144
- (over)/underprovision in the previous financial year	(249)	129	(3)	(32)
	23,900	13,930	363	112
Deferred tax (Note 12):				
- relating to origination and reversal of temporary differences	(2)	(2)	-	-
- overprovision in the previous financial year	(195)	(74)	-	-
	(197)	(76)	-	-
	23,703	13,854	363	112
Represented by:-				
- Income tax expense on continuing operations	23,785	13,854	363	112
- Income tax expense on discontinuing operations (Note 39)	(82)	-	-	-
Total income tax expense	23,703	13,854	363	112

38. INCOME TAX EXPENSE (CONT'D)

A reconciliation of income tax expense applicable to the profit/(loss) before taxation at the statutory tax rate to income tax expense at the effective tax rate of the Group and the Company is as follows:-

	The Group		The Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Profit/(Loss) after taxation	55,456	21,073	1,162	(6,960)
Total income tax expense	23,703	13,854	363	112
Results from continuing and discontinuing operations before income tax expense	79,159	34,927	1,525	(6,848)
Tax at the statutory rate of 24% (2023 - 24%)	18,998	8,382	366	(1,644)
Tax effects of:-				
Share of results in associates	(1,078)	(741)	-	-
Non-taxable income	(4,194)	(2,454)	(264)	(120)
Non-deductible expenses	8,778	5,210	278	1,850
Utilisation of deferred tax assets previously not recognised	(2,624)	(952)	(14)	-
Deferred tax assets not recognised during the financial year	4,267	4,354	-	58
(Over)/Underprovision in the previous financial year:				
- current tax	(249)	129	(3)	(32)
- deferred tax	(195)	(74)	-	-
Income tax expense for the financial year	23,703	13,854	363	112

Domestic income tax is calculated at the Malaysian statutory tax rate of 24% (2023 - 24%) of the estimated assessable profit for the financial year. The taxation for other jurisdiction is calculated at the rates prevailing in the respective jurisdictions.

38. INCOME TAX EXPENSE (CONT'D)

Income tax savings during the financial year arising from:-

	The Group	
	2024 RM'000	2023 RM'000
Utilisation of deferred tax assets previously not recognised arising from:		
- excess of depreciation over capital allowances	2,385	135
- unabsorbed capital allowances	238	1,012
- provisions	5,595	-
- unutilised tax losses	2,716	2,820
	10,934	3,967

39. LOSS AFTER TAXATION FROM DISCONTINUING OPERATIONS

As disclosed in Note 22 to the financial statements, the Group is in the process of disposing its education business segment.

An analysis of the results of the discontinuing operations is as follows:-

	The Group	
	2024 RM'000	2023 RM'000
Profit or Loss		
Revenue	30,057	25,003
Cost of sales	(16,936)	(17,021)
Gross profit	13,121	7,982
Other income	1,631	3
Administrative expenses	(1,637)	(2,222)
Other expenses	(16,165)	(12,627)
Finance costs	(108)	(387)
Net impairment losses on financial assets	(1,576)	3,742
Results from operating activities	(4,734)	(3,509)
Income tax credit	82	-
Loss after taxation from discontinuing operations	(4,652)	(3,509)

39. LOSS AFTER TAXATION FROM DISCONTINUING OPERATIONS (CONT'D)

(a) Included in the results from operating activities are the following:-

	The Group	
	2024 RM'000	2023 RM'000
Allowance for/(Reversal of) impairment losses on trade receivables	1,576	(3,742)
Depreciation of property, plant and equipment	884	1,042
Staff costs	19,326	19,926

(b) The cash flows attributable to the discontinuing operations are the following:-

	The Group	
	2024 RM'000	2023 RM'000
Net cash for operating activities	(7,737)	(8,117)
Net cash for investing activities	(199)	(17)
Net cash for financing activities	(4,697)	(5,745)
	(12,633)	(13,879)

40. EARNINGS/(LOSS) PER SHARE

The basic earnings/(loss) per share is calculated by dividing the consolidated profit/(loss) attributable to the owners of the Company by the weighted average number of ordinary shares in issue excluding treasury shares during the financial year.

40. EARNINGS/(LOSS) PER SHARE (CONT'D)

	The Group 2024			The Group 2023		
	Continuing Operations	Discontinuing Operations	Total	Continuing Operations	Discontinuing Operations	Total
Profit/(Loss) after taxation attributable to owner of the Company (RM'000)	30,025	(4,652)	25,373	10,191	(3,509)	6,682
Weighted average number of ordinary shares in issue ('000)	481,736	481,736		481,736	481,736	
Basic earnings/(loss) per share (sen)	6.23	(0.97)	5.26	2.12	(0.73)	1.39
Diluted earnings/(loss) per share (sen)	6.23	(0.97)	5.26	2.12	(0.73)	1.39

The diluted earnings/(loss) per share is equal to the basic earnings/(loss) per share as there is no outstanding dilutive equity instrument issued by the Company as at the end of the reporting period.

41. CASH FLOW INFORMATION

(a) The cash disbursed for the purchase of property, plant and equipment and addition of right-of-use assets are as follows:-

	The Group		The Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Property, plant and equipment				
Cost of property, plant and equipment purchased (Note 7)	9,308	13,664	27	26
Amount financed through hire purchase	(329)	(431)	-	-
	8,979	13,233	27	26
Right-of-use assets				
Cost of right-of-use assets (Note 9)	908	2,953	-	-
Less: Addition of new lease liabilities (Note 28)	(908)	(2,813)	-	-
	-	140	-	-

41. CASH FLOW INFORMATION (CONT'D)

(b) The reconciliation of liabilities arising from financing activities are as follows:-

The Group	Term Loans RM'000	Lease Liabilities RM'000	Hire Purchase Payables RM'000	Other Short-term Borrowings RM'000	Total RM'000
2024					
At 1 January	59,504	8,048	2,208	113,040	182,800
Changes in Financing Cash Flows					
Proceeds from drawdown	3,386	-	-	37,241	40,627
Repayment of principal	(27,618)	(2,417)	(500)	(37,556)	(68,091)
Repayment of interests	(2,611)	(527)	(175)	(5,965)	(9,278)
	(26,843)	(2,944)	(675)	(6,280)	(36,742)
Others Changes					
Acquisition of new leases	-	908	-	-	908
Acquisition of property, plant and equipment through hire purchase	-	-	329	-	329
Reassessment of lease liabilities	-	362	-	-	362
Interest expense recognised in profit and loss	2,569	527	175	5,965	9,236
	2,569	1,797	504	5,965	10,835
At 31 December	35,230	6,901	2,037	112,725	156,893

41. CASH FLOW INFORMATION (CONT'D)

(b) The reconciliation of liabilities arising from financing activities are as follows (Cont'd):-

The Group	Term Loans RM'000	Lease Liabilities RM'000	Hire Purchase Payables RM'000	Other Short-term Borrowings RM'000	Total RM'000
2023					
At 1 January	72,631	6,957	2,370	93,630	175,588
Changes in Financing Cash Flows					
Proceeds from drawdown	8,538	-	-	26,108	34,646
Repayment of principal	(21,706)	(2,312)	(593)	(6,698)	(31,309)
Repayment of interests	(3,349)	(562)	(90)	(5,061)	(9,062)
	(16,517)	(2,874)	(683)	14,349	(5,725)
Other Changes					
Acquisition of new leases	-	2,813	-	-	2,813
Acquisition of property, plant and equipment through hire purchase	-	-	431	-	431
Reassessment of lease liabilities	-	590	-	-	590
Interest expense recognised in profit and loss	3,390	562	90	5,061	9,103
	3,390	3,965	521	5,061	12,937
At 31 December	59,504	8,048	2,208	113,040	182,800

41. CASH FLOW INFORMATION (CONT'D)

(b) The reconciliation of liabilities arising from financing activities are as follows (Cont'd):-

The Company	Hire Purchase Payables RM'000
2023	
At 1 January	103
Changes in Financing Cash Flows	
Repayment of principal	(103)
Repayment of interests	(7)
	(110)
Other Changes	
Interest expense recognised in profit and loss	7
At 31 December	-

(c) The total cash outflows for a lease as a lessee are as follows:-

	The Group		The Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Payment of short-term leases	2,206	1,224	413	375
Payment of low-value assets	94	42	17	20
Interest paid on lease liabilities	527	562	-	-
Payment of lease liabilities	2,417	2,312	-	-
	5,244	4,140	430	395

41. CASH FLOW INFORMATION (CONT'D)

(d) The cash and cash equivalents comprise the following:-

	The Group		The Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Short-term investments	21,349	16,243	-	-
Deposits with licensed banks	18,155	30,751	2,018	1,622
Cash and bank balances	227,921	133,323	464	1,053
Bank overdrafts	(49,351)	(41,812)	(9,421)	(5,358)
	218,074	138,505	(6,939)	(2,683)
Less: Deposits pledged to licensed banks	(13,405)	(11,722)	(2,018)	(1,622)
Cash and bank balances pledged to a licensed bank	(1,402)	(1,402)	-	-
Deposits with licensed banks with maturity periods more than three months	(215)	(215)	-	-
	203,052	125,166	(8,957)	(4,305)

42. CAPITAL COMMITMENTS

	The Group	
	2024 RM'000	2023 RM'000
Purchase of property, plant and equipment	-	297

43. RELATED PARTY DISCLOSURES

(a) Subsidiaries

The subsidiaries as disclosed in Note 5 to the financial statements.

43. RELATED PARTY DISCLOSURES (CONT'D)

(b) Significant Related Party Transactions and Balances

Other than those disclosed elsewhere in the financial statements, the Group and the Company also carried out the following transactions with the related parties during the financial year:-

	The Group		The Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Subsidiaries:				
- Advances to subsidiaries	-	-	2,500	-
- Subscription of ordinary shares by way of capitalisation of amount owing by a subsidiary	-	-	18,700	-
- Gross dividends received/receivable	-	-	1,100	500
- Interest paid/payable	-	-	108	-
- Interest received/receivable	-	-	1,663	-
- Management fees received/receivable	-	-	8,420	8,473
- Redemption of redeemable convertible preference shares	-	-	175	-
- Rental expense paid/payable	-	-	413	372
Associates:				
- Disposal of property, plant and equipment	-	45	-	-
- Dividend received/receivable	3,751	3,694	-	-
- Management fees received/receivable	572	709	321	268
- Rental income received/receivable	84	194	-	-
- Sales and services rendered to	2,632	3,588	-	-
- Services rendered by	5,324	7,839	-	-

The significant outstanding balances of the related parties (including the allowance for impairment loss made) together with their terms and conditions are disclosed in the respective notes to the financial statements.

44. KEY MANAGEMENT PERSONNEL COMPENSATION

The key management personnel of the Group and of the Company include executive directors and non-executive directors of the Company and certain members of senior management of the Group and of the Company.

The key management personnel compensation during the financial year are as follows:-

	The Group		The Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
(a) Directors				
Directors of the Company				
Executive Directors' remuneration:				
Short-term employee benefits:				
- salaries, bonuses and other benefits	2,910	2,766	1,034	2,006
Defined contribution benefits	212	207	66	125
Estimated money value of benefit-in-kind	74	62	42	42
	3,196	3,035	1,142	2,173
Non-executive Directors' remuneration:				
Short-term employee benefits:				
- fees	204	204	204	204
- salaries, bonuses and other benefits	29	25	29	25
	233	229	233	229
Directors of the Subsidiaries				
Executive Directors' remuneration:				
Short-term employee benefits:				
- fees	555	531	-	-
- salaries, bonuses and other benefits	2,949	2,858	-	-
	3,504	3,389	-	-
Defined contribution benefits	283	286	-	-
Estimated money value of benefit-in-kind	14	17	-	-
	3,801	3,692	-	-
Total directors' remuneration (Note 37)	7,230	6,956	1,375	2,402

44. KEY MANAGEMENT PERSONNEL COMPENSATION (CONT'D)

The key management personnel compensation during the financial year are as follows (Cont'd):-

	The Group		The Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
(b) Other Key Management Personnel				
Short-term employee benefits	2,010	2,017	814	733
Defined contribution benefits	239	242	97	88
Estimated money value of benefits-in-kind	29	30	7	6
Total compensation for other key management personnel	2,278	2,289	918	827

45. OPERATING SEGMENTS

BUSINESS SEGMENTS

The Group is organised into nine major business segments:-

Business Segment	**Principal activities**
Maintenance	The maintenance of federal and state roads.
Construction	The construction of buildings and other infrastructures.
Property development	The development of commercial and residential properties.
Engineering & consultancy services	The provision of full spectrum of civil engineering work and related services.
Trading & manufacturing	Trading and manufacturing of construction materials.
Education	The provision of tertiary education.
Clean energy	Solar panel installation contract works and supply of power and electricity derived from solar power plant.
Hotel & hospitality	Management operation of hotels.
Asset management	Rental of premises and the provision of property management services.
Agriventure	Processing and trading of fruits and related products.

Other business segment mainly represents investment holding and management services activities.

45. OPERATING SEGMENTS (CONT'D)

BUSINESS SEGMENTS (CONT'D)

The key management personnel assess the performance of the reportable segments based on their profit/(loss) before taxation. The accounting policies of the reportable segments are the same as the Group's accounting policies.

(a) Segment Revenue and Results

Segment results represent profit before taxation of the segment. Inter-segment transactions are entered in the ordinary course of business based on terms mutually agreed upon by the parties concerned. The effects of such inter-segment transactions are eliminated on consolidation.

(b) Segment Assets

Segment assets are measured based on all assets (including goodwill) of the segment, excluding current tax assets and deferred tax assets.

(c) Segment Liabilities

Segment liabilities are measured based on all liabilities, excluding current tax liabilities and deferred tax liabilities.

Income taxes are managed on a group basis and are not allocated to operating segments.

Assets and liabilities which are common and cannot be meaningfully allocated to the operating segments are presented under unallocated items. Unallocated items comprise mainly tax-related assets and liabilities.

45. OPERATING SEGMENTS (CONT'D)

BUSINESS SEGMENTS (CONT'D)

2024	Maintenance RM'000	Construction RM'000	Property Development RM'000	Engineering & Consultancy Services RM'000	Trading & Manufacturing RM'000	Education (Discontinuing) RM'000	Clean Energy RM'000	Hotel & Hospitality RM'000	Asset Management RM'000	Agriventure RM'000	Others RM'000	Eliminations RM'000	Consolidation RM'000
Revenue													
External sales	911,512	33,474	24,333	27,921	245,460	30,057	20,070	12,696	1,097	446	572	-	1,307,638
Inter-segment sales	-	11,474	866	5,637	7,673	-	79	-	3,336	-	9,520	(38,585)	-
Total revenue	911,512	44,948	25,199	33,558	253,133	30,057	20,149	12,696	4,433	446	10,092	(38,585)	1,307,638
Represented by revenue recognised:													
- at a point of time	-	-	8,254	11,465	245,460	-	-	4,697	-	446	-	-	270,322
- over time	911,512	33,474	16,079	16,456	-	30,057	20,070	7,999	1,097	-	572	-	1,037,316
	911,512	33,474	24,333	27,921	245,460	30,057	20,070	12,696	1,097	446	572	-	1,307,638
Results													
Profit/(Loss) from operations	85,256	479	(4,454)	5,307	4,266	(3,050)	2,039	403	821	(1,299)	2,032	(6,994)	84,806
Finance costs	(736)	(2,813)	(2,205)	(209)	(2,339)	(108)	(1,590)	(628)	(2,715)	(711)	(503)	2,168	(12,389)
Net impairment losses on financial assets	-	(7,976)	-	5,578	403	(1,576)	7	-	3,486	-	(114)	2,439	2,247
Share of profit in associates	4,343	(46)	-	198	-	-	-	-	-	-	-	-	4,495
Segment results	88,863	(10,356)	(6,659)	10,874	2,330	(4,734)	456	(225)	1,592	(2,010)	1,415	(2,387)	79,159
Income tax expense													(23,703)
Profit after taxation													55,456
Non-controlling interests													(30,083)
Net profit attributable to owners of the Company													25,373

45. OPERATING SEGMENTS (CONT'D)

BUSINESS SEGMENTS (CONT'D)

2024	Maintenance RM'000	Construction RM'000	Property Development RM'000	Engineering & Consultancy Services RM'000	Trading & Manufacturing RM'000	Education (Discontinuing) RM'000	Clean Energy RM'000	Hotel & Hospitality RM'000	Asset Management RM'000	Agriventure RM'000	Others RM'000	Eliminations RM'000	Consolidation RM'000
Assets													
Segment assets	355,825	199,839	183,293	45,725	118,615	10,944	36,811	51,257	178,283	11,596	266,760	(525,699)	933,249
Unallocated corporate assets													14,020
Consolidated total assets													947,269
Liabilities													
Segment liabilities	210,338	90,314	173,024	38,977	90,945	51,809	39,727	49,516	145,048	15,123	14,213	(359,840)	559,194
Unallocated corporate liabilities													5,463
Consolidated total liabilities													564,657
Other Information													
Depreciation and amortisation	7,318	456	2,266	553	329	884	1,788	1,053	2,386	456	243	(164)	17,568
Impairment losses on:													
- trade and other receivables	-	5,400	-	1,399	742	1,733	-	-	-	-	-	-	9,274
Interest expense	306	2,642	1,598	137	2,340	108	1,544	960	2,448	20	503	-	12,606
Gain on disposal of property, plant and equipment	(43)	-	(3)	-	(1)	-	-	-	-	(20)	-	-	(67)
Interest and investment income	(1,290)	(251)	(29)	(70)	(2)	-	(31)	(91)	-	-	(35)	-	(1,799)
Reversal of impairment losses on:													-
- trade and other receivables	-	-	-	(1,671)	(1,145)	(157)	(7)	-	(8,541)	-	-	-	(11,521)
Capital expenditure	3,732	544	137	635	341	199	934	-	207	2,552	27	-	9,308

The Group operates predominantly in Malaysia. Accordingly, the information by geographical segment is not presented.

45. OPERATING SEGMENTS (CONT'D)

BUSINESS SEGMENTS (CONT'D)

2023	Maintenance RM'000	Construction RM'000	Property Development RM'000	Engineering & Consultancy Services RM'000	Trading & Manufacturing RM'000	Education (Discontinuing) RM'000	Clean Energy RM'000	Hotel & Hospitality RM'000	Asset Management RM'000	Agriventure RM'000	Others RM'000	Eliminations RM'000	Consolidation RM'000
Revenue													
External sales	704,524	23,845	18,012	52,067	282,388	25,003	11,008	13,405	898	141	268	-	1,131,559
Inter-segment sales	-	-	2,172	5,182	7,987	-	-	-	5,103	-	8,973	(29,417)	-
Total revenue	704,524	23,845	20,184	57,249	290,375	25,003	11,008	13,405	6,001	141	9,241	(29,417)	1,131,559
Represented by revenue recognised:													
- at a point of time	-	-	6,159	13,280	282,388	-	-	4,367	-	141	-	-	306,335
- over time	704,524	23,845	11,853	38,787	-	25,003	11,008	9,038	898	-	268	-	825,224
	704,524	23,845	18,012	52,067	282,388	25,003	11,008	13,405	898	141	268	-	1,131,559
Results													
Profit/(Loss) from operations	45,803	(1,442)	(5,709)	5,673	5,238	(6,864)	1,611	1,419	(3,991)	(849)	(1,964)	(3,103)	35,822
Finance costs	(777)	(2,065)	(3,015)	(110)	(1,848)	(387)	(1,626)	(1,130)	(2,366)	(311)	(412)	1,214	(12,833)
Net impairment losses on financial assets	183	(8,334)	56	(2,401)	(130)	3,742	102	-	5,249	-	(4,568)	14,952	8,851
Share of profit in associates	2,747	306	-	34	-	-	-	-	-	-	-	-	3,087
Segment results	47,956	(11,535)	(8,668)	3,196	3,260	(3,509)	87	289	(1,108)	(1,160)	(6,944)	13,063	34,927
Income tax expense													(13,854)
Profit after taxation													21,073
Non-controlling interests													(14,391)
Net profit attributable to owners of the Company													6,682

45. OPERATING SEGMENTS (CONT'D)

BUSINESS SEGMENTS (CONT'D)

2023	Maintenance RM'000	Construction RM'000	Property Development RM'000	Engineering & Consultancy Services RM'000	Trading & Manufacturing RM'000	Education RM'000	Clean Energy RM'000	Hotel & Hospitality RM'000	Asset Management RM'000	Agriventure RM'000	Others RM'000	Eliminations RM'000	Consolidation RM'000
Assets													
Segment assets	258,991	160,115	179,216	39,464	133,257	53,713	38,099	54,670	145,867	7,414	264,487	(474,648)	860,645
Unallocated corporate assets													15,886
Consolidated total assets													876,531
Liabilities													
Segment liabilities	151,706	57,994	183,677	37,363	105,689	48,463	41,402	56,784	154,199	8,931	13,066	(324,711)	534,563
Unallocated corporate liabilities													5,709
Consolidated total liabilities													540,272

45. OPERATING SEGMENTS (CONT'D)

BUSINESS SEGMENTS (CONT'D)

2023	Maintenance RM'000	Construction RM'000	Property Development RM'000	Engineering & Consultancy Services RM'000	Trading & Manufacturing RM'000	Education (Discontinuing) RM'000	Clean Energy RM'000	Hotel & Hospitality RM'000	Asset Management RM'000	Agriventure RM'000	Others RM'000	Eliminations RM'000	Consolidation RM'000
Other Information													
Depreciation and amortisation	7,558	573	2,240	507	317	1,042	1,766	1,126	2,578	164	243	(164)	17,950
Impairment losses on:													
- trade and other receivables	-	-	-	352	200	-	7	-	4,018	-	-	-	4,577
Interest expense	262	2,064	2,662	63	1,848	387	1,567	1,208	2,333	2	412	-	12,808
Gain on disposal of property, plant and equipment	(186)	(76)	-	-	(2)	-	-	-	-	-	(5)	-	(269)
Interest and investment income	(1,157)	(152)	(40)	(4)	(2)	(3)	(10)	-	(83)	-	(64)	-	(1,515)
Reversal of impairment losses on:													
- trade and other receivables	(183)	-	(56)	(2,653)	(70)	(3,742)	(109)	-	(6,615)	-	-	-	(13,428)
Capital expenditure	4,905	730	215	508	27	57	490	-	-	6,706	26	-	13,664

The Group operates predominantly in Malaysia. Accordingly, the information by geographical segment is not presented.

45. OPERATING SEGMENTS (CONT'D)

MAJOR CUSTOMER

The following is a major customer with revenue equal to or more than 10% of the Group's revenue:-

Customer Name	Revenue		Segment
	2024 RM'000	2023 RM'000	
Customer A	911,511	681,164	Maintenance

46. FINANCIAL INSTRUMENTS

The activities of the Group and of the Company are exposed to a variety of market risk (including foreign currency risk, interest rate risk and equity price risk), credit risk and liquidity risk. The overall financial risk management policy focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the financial performance of the Group and of the Company.

46.1 FINANCIAL RISK MANAGEMENT POLICIES

The policies in respect of the major areas of treasury activity are as follows:-

(a) Market Risk

(i) Foreign Currency Risk

The Group is exposed to foreign currency risk on transactions and balances that are denominated in currencies other than the respective functional currencies of entities within the Group. The currencies giving rise to this risk are primarily Libyan Dinar ("LYD"), Euro ("EUR"), South African Rand ("ZAR"), Sri Lanka Rupee ("LKR") and United States Dollar ("USD"). Foreign currency risk is monitored closely on an ongoing basis to ensure that the net exposure is at an acceptable level. On occasion, the Group enters into forward foreign currency contracts to hedge against its foreign currency risk. The Group also holds cash and cash equivalents denominated in foreign currencies for working capital purposes.

46. FINANCIAL INSTRUMENTS (CONT'D)

46.1 FINANCIAL RISK MANAGEMENT POLICIES (CONT'D)

(a) Market Risk (Cont'd)

(i) Foreign Currency Risk (Cont'd)

The exposure to foreign currency risk (a currency which is other than the functional currency of the entities within the Group) based on the carrying amounts of financial instruments at the end of the reporting period is summarised below:-

Foreign Currency Exposure

The Group 2024	Libyan Dinar RM'000	Euro RM'000	South African Rand RM'000	Sri Lanka Rupee RM'000	United States Dollar RM'000	Ringgit Malaysia RM'000	Total RM'000
Financial Assets							
Long-term investments	-	-	-	-	-	520	520
Trade receivables	-	-	-	-	-	206,900	206,900
Other receivables	-	-	-	-	275	2,970	3,245
Amount owing by associates	-	-	-	-	-	4,434	4,434
Short-term investments	-	-	-	-	-	21,349	21,349
Deposits with licensed banks	-	-	-	188	-	17,967	18,155
Cash and bank balances	613	12	146	-	5	227,145	227,921
	613	12	146	188	280	481,285	482,524

46. FINANCIAL INSTRUMENTS (CONT'D)

46.1 FINANCIAL RISK MANAGEMENT POLICIES (CONT'D)

(a) Market Risk (Cont'd)

(i) Foreign Currency Risk (Cont'd)

Foreign Currency Exposure (Cont'd)

The Group 2024	Libyan Dinar RM'000	Euro RM'000	South African Rand RM'000	Sri Lanka Rupee RM'000	United States Dollar RM'000	Ringgit Malaysia RM'000	Total RM'000
Financial Liabilities							
Trade payables	9	-	-	-	1,352	243,885	245,246
Other payables and accruals	89	134	4	-	442	61,637	62,306
Amount owing to associates	-	-	-	-	-	5,270	5,270
Borrowings	-	-	-	-	-	149,992	149,992
Bank overdrafts	-	-	-	-	-	49,351	49,351
	98	134	4	-	1,794	510,135	512,165
Net financial assets/(liabilities)	515	(122)	142	188	(1,514)	(28,850)	(29,641)
Less: Net financial (assets)/ liabilities denominated in the respective entities functional currencies	(515)	6	(142)	(188)	(276)	28,850	27,735
Currency exposure	-	(116)	-	-	(1,790)	-	(1,906)

46. FINANCIAL INSTRUMENTS (CONT'D)

46.1 FINANCIAL RISK MANAGEMENT POLICIES (CONT'D)

(a) Market Risk (Cont'd)

(i) Foreign Currency Risk (Cont'd)

Foreign Currency Exposure (Cont'd)

The Group 2023	Libyan Dinar RM'000	Euro RM'000	South African Rand RM'000	Sri Lanka Rupee RM'000	United States Dollar RM'000	Ringgit Malaysia RM'000	Total RM'000
Financial Assets							
Long-term investments	-	-	-	-	-	505	505
Trade receivables	-	-	-	-	-	236,038	236,038
Other receivables	-	-	-	-	317	1,685	2,002
Amount owing by associates	-	-	-	-	-	775	775
Short-term investments	-	-	-	-	-	16,243	16,243
Deposits with licensed banks	-	-	-	188	-	30,563	30,751
Cash and bank balances	841	10	162	533	5	131,772	133,323
	841	10	162	721	322	417,581	419,637

46. FINANCIAL INSTRUMENTS (CONT'D)

46.1 FINANCIAL RISK MANAGEMENT POLICIES (CONT'D)

(a) Market Risk (Cont'd)

(i) Foreign Currency Risk (Cont'd)

Foreign Currency Exposure (Cont'd)

The Group 2023	Libyan Dinar RM'000	Euro RM'000	South African Rand RM'000	Sri Lanka Rupee RM'000	United States Dollar RM'000	Ringgit Malaysia RM'000	Total RM'000
Financial Liabilities							
Trade payables	10	-	-	-	-	204,228	204,238
Other payables and accruals	102	35	4	-	-	71,656	71,797
Amount owing to associates	-	-	-	-	-	4,353	4,353
Borrowings	-	-	-	-	-	174,752	174,752
Bank overdrafts	-	-	-	-	-	41,812	41,812
Derivative liabilities	-	-	-	-	22	-	22
	112	35	4	-	22	496,801	496,974
Net financial assets/(liabilities)	729	(25)	158	721	300	(79,220)	(77,337)
Less: Net financial (assets)/ liabilities denominated in the respective entities functional currencies	(729)	25	(158)	(721)	(300)	79,220	77,337
Currency exposure	-	-	-	-	-	-	-

46. FINANCIAL INSTRUMENTS (CONT'D)

46.1 FINANCIAL RISK MANAGEMENT POLICIES (CONT'D)

(a) Market Risk (Cont'd)

(i) Foreign Currency Risk (Cont'd)

Foreign Currency Risk Sensitivity Analysis

Any reasonably possible change in the foreign currency exchange rates at the end of the reporting period against the respective functional currencies of the entities within the Group does not have a material impact on the profit or loss after taxation and other comprehensive income of the Group and of the Company and hence, no sensitivity analysis is presented.

(ii) Interest Rate Risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The exposure to interest rate risk arises mainly from interest-bearing financial assets and liabilities. The Group and the Company adopt a policy of obtaining the most favourable interest rates available and by maintaining a balanced portfolio mix of fixed and floating rate borrowings. Any surplus funds of the Group and the Company will be placed with licensed financial institutions to generate interest income.

Exposure to Interest Rate Risk

The interest rate profile of the Group's and the Company's significant interest-bearing financial instruments, based on the carrying amounts as at the end of the reporting period are as follows:-

	The Group	
	2024 RM'000	2023 RM'000
Fixed Rate Instruments		
Deposits with licensed banks	18,155	30,751
Hire purchase payables	(2,037)	(2,208)
Bills payable	(28,652)	(41,149)
Revolving credit	(79,257)	(68,757)
Invoice financing	(4,816)	(3,134)
	(96,607)	(84,497)
Floating Rate Instruments		
Term loans	(35,230)	(59,504)
Bank overdrafts	(49,351)	(41,812)
	(84,581)	(101,316)

46. FINANCIAL INSTRUMENTS (CONT'D)

46.1 FINANCIAL RISK MANAGEMENT POLICIES (CONT'D)

(a) Market Risk (Cont'd)

(ii) Interest Rate Risk (Cont'd)

Exposure to Interest Rate Risk (Cont'd)

	The Company	
	2024 RM'000	2023 RM'000
Fixed Rate Instrument		
Deposits with a licensed bank	2,018	1,622
Floating Rate Instrument		
Bank overdraft	(9,421)	(5,358)

Interest Rate Risk Sensitivity Analysis

The interest rate risk sensitivity analysis on the fixed rate instruments is not disclosed as these financial instruments are measured at amortised cost. Therefore, they are not subject to interest rate risk as defined in MFRS 7 since neither their carrying amount nor the future cash flows will fluctuate because of a change in market interest rates.

The following table details the sensitivity analysis to a reasonably possible change in the interest rates at the end of the reporting period, with all other variables held constant:-

	The Group	
	2024 RM'000	2023 RM'000
Effects on Profit/(Loss) After Taxation/Other Comprehensive Income/(Expense)		
Increase of 100 basis points	(643)	(770)
Decrease of 100 basis points	643	770

	The Company	
	2024 RM'000	2023 RM'000
Effects on Profit/(Loss) After Taxation/Other Comprehensive Income/(Expense)		
Increase of 100 basis points	(72)	(41)
Decrease of 100 basis points	72	41

46. FINANCIAL INSTRUMENTS (CONT'D)

46.1 FINANCIAL RISK MANAGEMENT POLICIES (CONT'D)

(a) Market Risk (Cont'd)

(iii) Equity Price Risk

The Group and the Company do not have any quoted investments and hence, is not exposed to equity price risk.

(b) Credit Risk

The exposure to credit risk, or the risk of counterparties defaulting, arises mainly from trade and other receivables. The Group and the Company manage their exposures to credit risk by the application of credit approvals, credit limits and monitoring procedures on an ongoing basis. For other financial assets (including quoted debt investments, cash and bank balances and derivatives), the Group and the Company minimise credit risk by dealing exclusively with high credit rating counterparties.

Also, the Company's exposure to credit risk includes loans and advances to subsidiaries, and corporate guarantee given to financial institutions for credit facilities granted to certain subsidiaries. The Company monitors the ability of the subsidiaries to serve their loans on an individual basis.

(i) Credit Risk Concentration Profile

The Group's major concentration of credit risks relates to the amount owing by the Government of Malaysia which constituted a significant amount of its total trade receivables at the end of the reporting date.

(ii) Maximum Exposure to Credit Risk

At the end of the reporting period, the maximum exposure to credit risk is represented by the carrying amount of each class of financial assets recognised in the statement of financial position of the Group and of the Company after deducting any allowance for impairment losses (where applicable).

In addition, the Company's maximum exposure to credit risk also includes corporate guarantees provided to its subsidiaries as disclosed under the 'Maturity Analysis' of item (c) below, representing the outstanding banking facilities of the subsidiaries as at the end of the reporting period. These corporate guarantees have not been recognised in the Company's financial statements since their fair value on initial recognition were not material.

(iii) Assessment of Impairment Losses

The Group and the Company have an informal credit policy in place and the exposure to credit risk is monitored on an on-going basis through periodic review of the ageing of the receivables. The Group and the Company closely monitors the receivables' financial strength to reduce the risk of loss.

At each reporting date, the Group and the Company evaluate whether any of the financial assets at amortised cost and contract assets are credit impaired.

The gross carrying amounts of financial assets are written off against the associated impairment, if any, when there is no reasonable expectation of recovery despite the fact that they are still subject to enforcement activities.

46. FINANCIAL INSTRUMENTS (CONT'D)

46.1 FINANCIAL RISK MANAGEMENT POLICIES (CONT'D)

(b) Credit Risk (Cont'd)

(iii) Assessment of Impairment Losses (Cont'd)

A financial asset is credit impaired when any of following events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred:

- Significant financial difficulty of the receivable;
- A breach of contract, such as a default or past due event;
- Restructuring of a debt in relation to the receivable's financial difficulty; and
- It is becoming probable that the receivable will enter bankruptcy or other financial reorganisation.

The Group and the Company consider a receivable to be in default when the receivable is unlikely to repay its debt to the Group and the Company in full or is more than 90 days past due unless the Group and the Company have reasonable and supportable information to demonstrate that a more lagging default criterion is more appropriate.

Trade Receivables and Contract Assets

The Group applies the simplified approach to measure expected credit losses using a lifetime expected loss allowance for all trade receivables and contract assets.

Inputs, Assumptions and Techniques used for Estimating Impairment Losses

To measure the expected credit losses, trade receivables and contract assets have been grouped based on shared credit risk characteristics and the days past due. The contract assets relate to unbilled work in progress and have substantially the same risk characteristics as the trade receivables for the same types of contracts. Therefore, the Group concluded that the expected loss rates for trade receivables are a reasonable approximation of the loss rates for the contract assets.

The Group measures the expected credit losses of certain major customers, trade receivables that are credit impaired and trade receivables with a high risk of default on individual basis.

The expected loss rates are based on the payment profiles of sales over 12 months (2023 - 12) months before the reporting date and the corresponding historical credit losses experienced within this period. The historical loss rates are adjusted to reflect current and forward-looking information on macroeconomic factors affecting the ability of the trade receivables to settle their debts.

For construction contracts, the Group assessed the expected credit loss of each customer individually based on their financial information and past trends of payments as there are only a few customers.

For property development, the Group assessed that the purchasers are generally financed by loan facilities from reputable financiers. In addition, the credit risk is limited as the ownership and rights to the properties sold will be revert to the Group in the event of default, and the products do not suffer from physical, technological and fashion obsolescence. Therefore, there is minimal exposure to credit risk.

There are no significant changes in the estimation techniques and assumptions as compared to the previous financial year.

46. FINANCIAL INSTRUMENTS (CONT'D)

46.1 FINANCIAL RISK MANAGEMENT POLICIES (CONT'D)

(b) Credit Risk (Cont'd)

(iii) Assessment of Impairment Losses (Cont'd)

Trade Receivables and Contract Assets (Cont'd)

Allowance for Impairment Losses

The information about the exposure to credit risk and the loss allowances calculated for both trade receivables and contract assets are summarised below:-

The Group	Gross Amount RM'000	Lifetime Individual Allowance RM'000	Lifetime Collective Allowance RM'000	Carrying Amount RM'000
2024				
Not past due	94,030	-	(208)	93,822
Past due:				
- less than 6 months	81,291	-	(466)	80,825
- 6 to 12 months	20,205	-	(571)	19,634
- 1 to 2 years	9,701	-	(4,005)	5,696
- more than 2 years	1,294	(37)	(820)	437
	206,521	(37)	(6,070)	200,414
Credit impaired:				
- individually impaired	32,390	(32,390)	-	-
Trade receivables	238,911	(32,427)	(6,070)	200,414
Unbilled receivables	6,486	-	-	6,486
Contract assets	4,064	-	-	4,064
	249,461	(32,427)	(6,070)	210,964

46. FINANCIAL INSTRUMENTS (CONT'D)

46.1 FINANCIAL RISK MANAGEMENT POLICIES (CONT'D)

(b) Credit Risk (Cont'd)

(iii) Assessment of Impairment Losses (Cont'd)

Trade Receivables and Contract Assets (Cont'd)

Allowance for Impairment Losses (Cont'd)

The information about the exposure to credit risk and the loss allowances calculated for both trade receivables and contract assets are summarised below (Cont'd):-

The Group	Gross Amount RM'000	Lifetime Individual Allowance RM'000	Lifetime Collective Allowance RM'000	Carrying Amount RM'000
2023				
Not past due	55,136	-	(622)	54,514
Past due:				
- less than 6 months	156,603	-	(1,264)	155,339
- 6 to 12 months	20,783	-	(2,470)	18,313
- 1 to 2 years	3,609	-	(2,365)	1,244
- more than 2 years	1,010	(37)	(359)	614
	237,141	(37)	(7,080)	230,024
Credit impaired:				
- individually impaired	40,535	(40,535)	-	-
Trade receivables	277,676	(40,572)	(7,080)	230,024
Unbilled receivables	6,014	-	-	6,014
Contract assets	4,559	-	-	4,559
	288,249	(40,572)	(7,080)	240,597

The movements in the loss allowances in respect of trade receivables are disclosed in Note 14 to the financial statements.

46. FINANCIAL INSTRUMENTS (CONT'D)

46.1 FINANCIAL RISK MANAGEMENT POLICIES (CONT'D)

(b) Credit Risk (Cont'd)

(iii) Assessment of Impairment Losses (Cont'd)

Other Receivables

The Group and the Company apply the 3-stage general approach to measuring expected credit losses for its other receivables.

Inputs, Assumptions and Techniques used for Estimating Impairment Losses

Under this approach, the Group and the Company assess whether there is a significant increase in credit risk for receivables by comparing the risk of a default as at the reporting date with the risk of default as at the date of initial recognition. The Group and the Company consider there has been a significant increase in credit risk when there are changes in contractual terms or delay in payment. Regardless of the assessment, a significant increase in credit risk is presumed if a receivable is more than 30 days past due in making a contractual payment.

The Group and the Company use 3 categories to reflect their credit risk and how the loss allowance is determined for each category:-

Category	Definition of Category	Loss Allowance
Performing:	Receivables have a low risk of default and a strong capacity to meet contractual cash flows	12-months expected credit losses
Underperforming:	Receivables for which there is a significant increase in credit risk	Lifetime expected credit losses
Not performing:	There is evidence indicating the receivable is credit impaired or more than 90 days past due	Lifetime expected credit losses

The Group and the Company measures the expected credit losses of receivables having significant balances, receivables that are credit impaired and receivables with a high risk of default on individual basis. Other receivables are grouped based on shared credit risk characteristics and assessed on collective basis.

Loss allowance is measured on either 12-month expected credit losses or lifetime expected credit losses, by considering the likelihood that the receivable would not be able to repay during the contractual period (probability of default, PD), the percentage of contractual cash flows that will not be collected if default happens (loss given default, LGD) and the outstanding amount that is exposed to default risk (exposure at default, EAD).

In deriving the PD and LGD, the Group and the Company consider the receivable's past payment status and its financial condition as at the reporting date. The PD is adjusted to reflect current and forward-looking information on macroeconomic factors affecting the ability of the receivable to settle its debts.

There are no significant changes in the estimation techniques and assumptions as compared to the previous financial year.

46. FINANCIAL INSTRUMENTS (CONT'D)

46.1 FINANCIAL RISK MANAGEMENT POLICIES (CONT'D)

(b) Credit Risk (Cont'd)

(iii) Assessment of Impairment Losses (Cont'd)

Other Receivables (Cont'd)

Allowance for Impairment Losses

The information about the exposure to credit risk and the loss allowances calculated for other receivables are summarised as below:-

The Group	Gross Amount RM'000	Lifetime Loss Allowance RM'000	Carrying Amount RM'000
2024			
Low credit risk	3,245	-	3,245
Credit impaired	94,958	(94,958)	-
	98,203	(94,958)	3,245
2023			
Low credit risk	2,002	-	2,002
Credit impaired	89,702	(89,702)	-
	91,704	(89,702)	2,002
The Company			
2024			
Low credit risk	36	-	36
Credit impaired	84,644	(84,644)	-
	84,680	(84,644)	36
2023			
Low credit risk	53	-	53
Credit impaired	84,644	(84,644)	-
	84,697	(84,644)	53

The movements in the loss allowances are disclosed in the Note 16 to the financial statements.

46. FINANCIAL INSTRUMENTS (CONT'D)

46.1 FINANCIAL RISK MANAGEMENT POLICIES (CONT'D)

(b) Credit Risk (Cont'd)

(iii) Assessment of Impairment Losses (Cont'd)

Deposits with Licensed Banks, Cash and Bank Balances

The Group and the Company consider these banks and financial institutions have low credit risks. In addition, some of the bank balances are insured by Government agencies. Therefore, the Group and the Company are of the view that the loss allowance is immaterial and hence, it is not provided for.

Amount Owing by Subsidiaries

The Company applies the 3-stage general approach to measuring expected credit losses for all inter-company balances. Generally, the Company considers loans and advances to subsidiaries have low credit risks. The Company assumes that there is a significant increase in credit risk when a subsidiary's financial position deteriorates significantly.

As the Company is able to determine the timing of payments of the subsidiaries' loans and advances when they are payable, the Company considers loans and advances to be in default when the subsidiaries are not able to pay when demanded. The Company considers a subsidiary's loan or advance to be credit impaired when the subsidiary is unlikely to repay its loan or advance in full or the subsidiary is continuously loss making or the subsidiary is having a deficit in its total equity.

The Company determines the probability of default for these loans and advances individually using internal information available.

There are no significant changes in the estimation techniques and assumptions as compared to the previous financial year.

46. FINANCIAL INSTRUMENTS (CONT'D)

46.1 FINANCIAL RISK MANAGEMENT POLICIES (CONT'D)

(b) Credit Risk (Cont'd)

(iii) Assessment of Impairment Losses (Cont'd)

Amount Owing by Subsidiaries (Cont'd)

Allowance for Impairment Losses

The information about the exposure to credit risk and the loss allowances calculated for amount owing by subsidiaries are summarised below:-

The Company	Gross Amount RM'000	Lifetime Loss Allowance RM'000	Carrying Amount RM'000
2024			
Low credit risk	74,701	-	74,701
Credit impaired	5,942	(5,942)	-
	80,643	(5,942)	74,701
2023			
Low credit risk	90,543	-	90,543
Credit impaired	5,828	(5,828)	-
	96,371	(5,828)	90,543

The movements in the loss allowance are disclosed in Note 17 of the financial statements.

46. FINANCIAL INSTRUMENTS (CONT'D)

46.1 FINANCIAL RISK MANAGEMENT POLICIES (CONT'D)

(b) Credit Risk (Cont'd)

(iii) Assessment of Impairment Losses (Cont'd)

Financial Guarantee Contracts

Corporate guarantees for borrowing facilities granted to subsidiaries are financial guarantee contract.

Inputs, Assumptions and Techniques used for Estimating Impairment Losses

The Company closely monitors the subsidiaries' financial strength to reduce the risk of loss.

The Company considers there is a significant increase in credit risk when a subsidiary's financial position deteriorates significantly. A financial guarantee contract is credit impaired when:

- The subsidiary is unlikely to repay its obligation to the bank in full; or
- The subsidiary is having a deficit in equity and is continuously loss making.

The Company determines the probability of default of the guaranteed amounts individually using internal information available.

Allowance for Impairment Losses

All of the financial guarantee contracts are considered to be performing, have low risks of default and historically there were no instances where these financial guarantee contracts were called upon by the parties of which the financial guarantee contracts were issued to. Accordingly, no loss allowances were identified based on 12-month expected credit losses.

(c) Liquidity Risk

Liquidity risk arises mainly from general funding and business activities. The Group and the Company practise prudent risk management by maintaining sufficient cash balances and the availability of funding through certain committed credit facilities.

46. FINANCIAL INSTRUMENTS (CONT'D)

46.1 FINANCIAL RISK MANAGEMENT POLICIES (CONT'D)

(c) Liquidity Risk (Cont'd)

Maturity Analysis

The following table sets out the maturity profile of the financial liabilities at the end of the reporting period based on contractual undiscounted cash flows (including interest payments computed using contractual rates or, if floating, based on the rates at the end of the reporting period):-

The Group	Contractual Interest Rate %	Carrying Amount RM'000	Contractual Undiscounted Cash Flows RM'000	On demand Or Within 1 Year RM'000	1 - 5 Years RM'000	Over 5 Years RM'000
2024						
Non-derivative Financial Liabilities						
Trade payables	-	245,246	245,246	245,246	-	-
Other payables and accruals	-	62,306	62,306	62,306	-	-
Amount owing to associates	-	5,270	5,270	5,270	-	-
Lease liabilities	5.46 - 5.91	6,901	9,191	1,527	3,195	4,469
Hire purchase payables	2.41 - 6.36	2,037	2,229	678	1,551	-
Term loans	4.75 - 8.39	35,230	40,443	13,025	17,505	9,913
Bills payable	3.50 - 6.04	28,652	28,652	28,652	-	-
Invoice financing	6.45 - 6.86	4,816	4,816	4,816	-	-
Revolving credit	4.04 - 6.50	79,257	79,257	79,257	-	-
Bank overdrafts	7.37 - 8.26	49,351	49,351	49,351	-	-
		519,066	526,761	490,128	22,251	14,382

46. FINANCIAL INSTRUMENTS (CONT'D)

46.1 FINANCIAL RISK MANAGEMENT POLICIES (CONT'D)

(c) Liquidity Risk (Cont'd)

Maturity Analysis (Cont'd)

The Group	Contractual Interest Rate %	Carrying Amount RM'000	Contractual Undiscounted Cash Flows RM'000	On demand Or Within 1 Year RM'000	1 - 5 Years RM'000	Over 5 Years RM'000
2023						
Non-derivative Financial Liabilities						
Trade payables	-	204,238	204,238	204,238	-	-
Other payables and accruals	-	71,797	71,797	71,797	-	-
Amount owing to associates	-	4,353	4,353	4,353	-	-
Lease liabilities	4.36 - 5.73	8,048	10,727	2,152	3,714	4,861
Hire purchase payables	2.41 - 6.36	2,208	2,584	621	1,889	74
Term loans	4.75 - 8.39	59,504	67,129	26,050	31,015	10,064
Bills payable	3.50 - 6.04	41,149	41,149	41,149	-	-
Invoice financing	6.45 - 6.86	3,134	3,134	3,134	-	-
Revolving credit	4.04 - 6.50	68,757	68,757	68,757	-	-
Bank overdrafts	7.70 - 8.51	41,812	41,812	41,812	-	-
Derivative Financial Liabilities						
Derivative liabilities	-	22	22	22	-	-
		505,022	515,702	464,085	36,618	14,999

46. FINANCIAL INSTRUMENTS (CONT'D)

46.1 FINANCIAL RISK MANAGEMENT POLICIES (CONT'D)

(c) Liquidity Risk (Cont'd)

Maturity Analysis (Cont'd)

The Company	Contractual Interest Rate %	Carrying Amount RM'000	Contractual Undiscounted Cash Flows RM'000	On Demand Or Within 1 Year RM'000	1 - 5 Years RM'000
2024					
Non-derivative Financial Liabilities					
Other payables and accruals	-	1,273	1,273	1,273	-
Amount owing to subsidiaries	-	1,836	1,836	1,836	-
Bank overdrafts	7.70	9,421	9,421	9,421	-
Financial guarantee contracts in relation to corporate guarantees given to certain subsidiaries#	-	-	334,268	334,268	-
		12,530	346,798	346,798	-
2023					
Non-derivative Financial Liabilities					
Other payables and accruals	-	1,870	1,870	1,870	-
Amount owing to subsidiaries	-	4,218	4,218	4,218	-
Bank overdrafts	7.70	5,358	5,358	5,358	-
Financial guarantee contracts in relation to corporate guarantees given to certain subsidiaries#	-	-	315,278	315,278	-
		11,446	326,724	326,724	-

- *The contractual undiscounted cash flows represent the outstanding credit facilities of the subsidiaries at the end of the reporting period. The financial guarantees have not been recognised in the financial statements since their fair value on initial recognition were not material.*

46. FINANCIAL INSTRUMENTS (CONT'D)

46.2 CAPITAL RISK MANAGEMENT

The Group manages its capital to ensure that entities within the Group will be able to maintain an optimal capital structure so as to support its businesses and maximise shareholders value. To achieve this objective, the Group may make adjustments to the capital structure in view of changes in economic conditions, such as adjusting the amount of dividend payment, returning of capital to shareholders or issuing new shares.

The Group manages its capital based on debt-to-equity ratio. The debt-to-equity ratio is calculated as net debt (total interest-bearing borrowings less short-term investments, deposits with licensed banks, cash and bank balances) divided by total equity.

The debt-to-equity ratio of the Group at the end of the reporting period is as follows:-

	The Group	
	2024 RM'000	2023 RM'000
Hire purchase payables	2,037	2,208
Term loans	35,230	59,504
Bills payable	28,652	41,149
Revolving credit	79,257	68,757
Invoice financing	4,816	3,134
Bank overdrafts	49,351	41,812
	199,343	216,564
Less: Short-term investments	(21,349)	(16,243)
Deposits with licensed banks	(18,155)	(30,751)
Cash and bank balances	(227,921)	(133,323)
Net debt	(68,082)	36,247
Total equity	382,612	336,259
Debt-to-equity ratio	*	0.108

* Not applicable as the Group's aggregated short-term investments, deposits with licensed banks, cash and bank balances exceeded its borrowings.

There was no change in the approach to capital management during the financial year.

46. FINANCIAL INSTRUMENTS (CONT'D)

46.3 CLASSIFICATION OF FINANCIAL INSTRUMENTS

	The Group		The Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Financial Assets				
Designated at Fair Value Through Other Comprehensive Income Upon Initial Recognition				
Long-term investments	520	505	-	-
Amortised Cost				
Trade receivables	206,900	236,038	-	-
Other receivables	3,245	2,002	36	53
Amount owing by subsidiaries	-	-	74,701	90,543
Amount owing by associates	4,434	775	-	-
Deposits with licensed banks	18,155	30,751	2,018	1,622
Cash and bank balances	227,921	133,323	464	1,053
	460,655	402,889	77,219	93,271
Fair Value Through Profit or Loss				
Short-term investments	21,349	16,243	-	-

46. FINANCIAL INSTRUMENTS (CONT'D)

46.3 CLASSIFICATION OF FINANCIAL INSTRUMENTS (CONT'D)

	The Group		The Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Financial Liabilities				
Fair Value Through Profit or Loss				
Derivative liabilities	-	22	-	-
Amortised Cost				
Trade payables	245,246	204,238	-	-
Other payables and accruals	62,306	71,797	1,273	1,870
Amount owing to subsidiaries	-	-	1,836	4,218
Amount owing to associates	5,270	4,353	-	-
Hire purchase payables	2,037	2,208	-	-
Term loans	35,230	59,504	-	-
Bills payable	28,652	41,149	-	-
Invoice financing	4,816	3,134	-	-
Revolving credit	79,257	68,757	-	-
Bank overdrafts	49,351	41,812	9,421	5,358
	512,165	496,952	12,530	11,446

46. FINANCIAL INSTRUMENTS (CONT'D)

46.4 GAINS OR LOSSES ARISING FROM FINANCIAL INSTRUMENTS

	The Group		The Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Financial Assets				
Amortised Cost				
Net gains/(losses) recognised in profit or loss	5,536	(9,709)	1,585	(2,421)
Fair Value Through Profit or Loss				
Net gains recognised in profit or loss	97	215	-	-
Financial Liabilities				
Amortised Cost				
Net losses recognised in profit or loss	(12,714)	(12,815)	(611)	(514)
Fair Value Through Profit or Loss				
Net gains/(losses) recognised in profit or loss	22	(22)	-	-

46. FINANCIAL INSTRUMENTS (CONT'D)

46.5 FAIR VALUE INFORMATION

The fair values of the financial assets and financial liabilities of the Group and of the Company which are maturing within the next 12 months approximated their carrying amounts due to the relatively short-term maturity of the financial instruments or repayable on demand terms.

The following table sets out the fair value profile of financial instruments that are carried at fair value and those not carried at fair value at the end of the reporting period:-

	Fair Value of Financial Instruments Carried at Fair Value			Fair Value of Financial Instruments Not Carried at Fair Value				
The Group	Level 1 RM'000	Level 2 RM'000	Level 3 RM'000	Level 1 RM'000	Level 2 RM'000	Level 3 RM'000	Total Fair Value RM'000	Carrying Amount RM'000
2024								
Financial assets								
Long-term investments	-	-	523	-	-	-	523	520
Short-term investments	-	21,349	-	-	-	-	21,349	21,349
Financial liabilities								
Hire purchase payables	-	-	-	-	1,994	-	1,994	2,037
Term loans	-	-	-	-	35,230	-	35,230	35,230

	Fair Value of Financial Instruments Carried at Fair Value			Fair Value of Financial Instruments Not Carried at Fair Value				
The Group	Level 1 RM'000	Level 2 RM'000	Level 3 RM'000	Level 1 RM'000	Level 2 RM'000	Level 3 RM'000	Total Fair Value RM'000	Carrying Amount RM'000
2023								
Financial assets								
Long-term investments	-	-	505	-	-	-	505	505
Short-term investments	-	16,243	-	-	-	-	16,243	16,243
Financial liabilities								
Hire purchase payables	-	-	-	-	2,243	-	2,243	2,208
Term loans	-	-	-	-	59,504	-	59,504	59,504

46. FINANCIAL INSTRUMENTS (CONT'D)

46.5 FAIR VALUE INFORMATION (CONT'D)

(a) Fair Value of Financial Instruments Carried at Fair Value

(i) The fair values above have been determined using the following basis:-

(aa) The fair value of golf club memberships is determined based on enquiry made to the respective golf clubs; and

(bb) The fair value of short-term investments is determined by reference to statements provided by the respective financial institution, with which the investments were entered into.

(ii) There were no transfer between level 1 and level 2 during the financial year.

(b) Fair Value of Financial Instruments not Carried at Fair Value

The fair value of term loans, which are for disclosure purpose, are determined by discounting the relevant cash flows using current market interest rates for similar instruments at the end of the reporting period. The interest rates used to discount the estimated cash flows are as follows:-

	The Group		The Company	
	2024 %	2023 %	2024 %	2023 %
Hire purchase payables	2.41 - 6.36	2.42 - 6.36	-	-
Term loans	4.75 - 8.39	4.75 - 8.39	-	-

47. MATERIAL LITIGATIONS

The following are the material litigations involving the Group and the Company during the financial year:-

(a) High Court of Malaya at Kuala Lumpur ("KL High Court") Suit No: 22NCC-362-09/2014 between Protasco Berhad ("Company") as plaintiff against PT Anglo Slavic Utama ("PT ASU") as the 1st defendant, Tey Por Yee as the 2nd defendant and Ooi Kok Aun as the 3rd defendant:-

On 28 December 2012, the Company entered into a conditional Sale and Purchase Agreement ("Conditional SPA") with PT ASU to acquire 95,000,000 ordinary shares of IDR1,000 each in PT Anglo Slavic Indonesia ("PT ASI"), representing 76% equity interest in PT ASI for a proposed purchase consideration of USD55,000,000.

PT ASI holds 95% equity interest in PT Firman Andalan Sakti ("PT FAS") which in turn holds 70% equity interest in PT Hase Bumou Aceh ("PT Haseba") ("PT ASI Group"). PT ASU as vendor represented in the Conditional SPA that PT Haseba had a 10-year production management partnership agreement ("PMP Agreement") with PT Pertamina (PERSERO) ("Pertamina") to develop and to produce oil and gas in the Kuala Simpang Timur Field from 14 December 2004.

On 29 January 2014, the Company entered into an Amended and Restated Sale and Purchase Agreement ("Restated SPA") with PT ASU to amend vary and restate, in its entirety, the Conditional SPA. With the execution of the Restated SPA, the Company agreed to acquire 78,750,000 ordinary shares of IDR1,000 each in PT ASI representing 63% equity interest in PT ASI from PT ASU for a total purchase consideration of USD22,000,000 (RM68,393,170) ("Purchase Consideration"). Parties thereto agreed that the Purchase Consideration was to be settled by way of setting off the deposit of USD16,340,563 (equivalent to RM50,000,000 based on the agreed exchange rate of USD1:RM3.05987 as at 28 December 2012) initially paid by the Company to PT ASU pursuant to the Conditional SPA and the balance thereof in cash.

47. MATERIAL LITIGATIONS (CONT'D)

(a) High Court of Malaya at Kuala Lumpur ("KL High Court") Suit No: 22NCC-362-09/2014 between Protasco Berhad ("Company") as plaintiff against PT Anglo Slavic Utama ("PT ASU") as the 1st defendant, Tey Por Yee as the 2nd defendant and Ooi Kok Aun as the 3rd defendant (Cont'd):-

The Restated SPA was subject to, among others, the following conditions subsequent to the completion of the Restated SPA which were to be fulfilled within six months from the date of the Restated SPA ("Conditional Period"):-

(i) Consent of Pertamina for the sale and purchase of the shares pursuant to the Restated SPA;

(ii) Extension of the PMP Agreement for a further 10-year period; and

(iii) Issuance of Surat Keterangan Terdaftar Minyak & Gas license by the Ministry of Energy and Mineral Resources' General of Oil and Gas Indonesia to PT Haseba.

Upon execution of the Restated SPA, the Company paid the balance Purchase Consideration amounting to USD5,659,437 (RM18,393,170) to PT ASU. In February 2014, pursuant on the terms of the Restated SPA, the Company made a further advance of USD5,000,000 (RM16,250,000) to PT ASI for working capital purposes ("Advance"). The total amounts paid to PT ASU and PT ASI collectively amounted to USD27,000,000 being the Purchase Consideration and the Advance.

On 5 August 2014, the Company announced that the conditions subsequent pursuant to the completion of Restated SPA had not been fulfilled by PT ASU within the Conditional Period and accordingly, the Restated SPA lapsed on 28 July 2014. The Company terminated the Restated SPA on 4 August 2014 and 14 August 2014.

On 22 September 2014, the Company filed a legal suit against PT ASU and the two former Directors, namely the 2nd and the 3rd defendant for, among others, the refund of the Purchase Consideration and Advance.

The total amount claimed against PT ASU and the two former Directors ("2nd and 3rd Defendants") are as follows:-

<u>Against PT ASU</u>

(i) A payment of USD22,000,000;

(ii) Pre-judgement interest on USD22,000,000 pursuant to Section 11 of the Civil Law Act 1956 from the date of the suit until the date of judgement at an interest rate of 5% per annum;

(iii) Post-judgement interest on USD22,000,000 pursuant to Order 42 Rule 12 of the Rules of Court 2012 from the date of judgement until full and final settlement thereof at an interest rate of 5% per annum; and

(iv) Damages for the breach of the Restated SPA.

47. MATERIAL LITIGATIONS (CONT'D)

(a) High Court of Malaya at Kuala Lumpur ("KL High Court") Suit No: 22NCC-362-09/2014 between Protasco Berhad ("Company") as plaintiff against PT Anglo Slavic Utama ("PT ASU") as the 1st defendant, Tey Por Yee as the 2nd defendant and Ooi Kok Aun as the 3rd defendant (Cont'd):-

Against the 2nd and 3rd Defendants

(i) A payment of USD27,000,000 (including the Advance);

(ii) Pre-judgement interest on USD27,000,000 pursuant to Section 11 of the Civil Law Act 1956 from the date of the suit until the date of judgement at an interest rate of 5% per annum;

(iii) Post-judgement interest on USD27,000,000 pursuant to Order 42 Rule 12 of the Rules of Court 2012 from the date of judgement until full and final settlement thereof at an interest rate of 5% per annum;

(iv) Damages for fraud and conspiracy; and

(v) General damages, aggravated and exemplary.

The status of this suit is as follows:-

The Full Trial for the Kuala Lumpur High Court Suit No.: 22NCC-362-09/2014 commenced from 15 October 2022 and continued on various dates. The Full Trial is scheduled to continue on 25 and 26 April 2023 and on 12 May 2023. The Full Trial has been concluded on 12 May 2023. The Kuala Lumpur High Court has fixed 30 August 2023 for clarification and/or decision of the Kuala Lumpur High Court Suit No.: 22NCC-362-09/2014.

The Kuala Lumpur High Court Judge had on 30 August 2023 delivered the following judgement ("Judgement") in favour of the Company:-

(i) The Company has established its claim for breach of fiduciary duties, breach of Sections 131 and 132E of the Companies Act 1965, fraud and conspiracy to defraud on the part of the 2nd and 3rd Defendants;
(ii) The Company's claim for a declaration that the 2nd and 3rd Defendants have acted in breach of their fiduciary duties as directors of the Company has been allowed;
(iii) The 2nd and 3rd Defendants are adjudged to pay a sum of RM84,643,170 to the Company ("Judgement Sum") with interest of 5% per annum to be calculated from 22 September 2014 (the date of filing of the Writ of Summons) until full and final settlement of the Judgement Sum; and
(iv) Costs in the sum of RM650,000 has been awarded in favour of the Company to be paid by 2nd and 3rd Defendants.

The 2nd and 3rd Defendants had on 8 September 2023 filed an appeal ("Appeal") at the Court of Appeal to appeal against the Judgement of the Kuala Lumpur High Court on 30 August 2023. The Appeal has been fixed for Hearing on 3 September 2025.

The 2nd and 3rd Defendants had on 4 September 2023 filed an application for a stay of proceeding ("Stay Application") at the Kuala Lumpur High Court to stay the execution of the Judgement delivered by the Kuala Lumpur High Court on 30 August 2023. The Stay Application was dismissed by the High Court on 17 October 2023 with costs of RM4,500 to be paid to the Company.

The 2nd and 3rd Defendants had on 23 October 2023 filed a notice of motion for a stay of proceeding ("Stay Motion") at the Court of Appeal to stay the execution of the Judgement dated 30 August 2023. The Stay Motion has been fixed for hearing on 22 November 2023 and the Court of Appeal has dismissed the stay of execution with costs of RM10,000 to be paid to the Company.

47. MATERIAL LITIGATIONS (CONT'D)

(a) High Court of Malaya at Kuala Lumpur ("KL High Court") Suit No: 22NCC-362-09/2014 between Protasco Berhad ("Company") as plaintiff against PT Anglo Slavic Utama ("PT ASU") as the 1st defendant, Tey Por Yee as the 2nd defendant and Ooi Kok Aun as the 3rd defendant (Cont'd):-

Further to the Judgement obtained by the Company against the 2nd and 3rd Defendants on 30 August 2023 and the dismissal of the Stay Application and the Stay Motion, the Company has executed the Judgement by filing:

1. A Bankruptcy Notice against the 2nd Defendant in the Shah Alam High Court, Bankruptcy No.: BA-29NCC-3214-12/2023 on 13 December 2023 demanding the total sum of RM124,370,962 from the 2nd Defendant; and

2. A Bankruptcy Notice against the 3rd Defendant in the Shah Alam High Court, Bankruptcy No.: BA-29NCC-3213-12/2023 on 13 December 2023 demanding the same amount from the 3rd Defendant.

The respective sealed Bankruptcy Notices were extracted on 21 December 2023. The Court has fixed 12 March 2024 for Case Management of the Bankruptcy Notice against the 2nd Defendant and 13 March 2024 for Case Management of the Bankruptcy Notice against the 3rd Defendant.

The Bankruptcy Notices were personally served on the 2nd and 3rd Defendants on 16 January 2024.

The 2nd and 3rd Defendants have filed their respective applications to set aside the said Bankruptcy Notices on 26 January 2024. In this regard, the Shah Alam High Court fixed the date for hearing the said applications by the 2nd and 3rd Defendants on 8 May 2024.

The Shah Alam High Court had on 8 May 2024 dismissed their applications to set aside the Bankruptcy Notice with costs of RM400 to be paid to the Company by each of them. Consequently, it was also held that the 2nd and 3rd Defendants had committed an act of bankruptcy on 8 May 2024. Hence the final date for filing creditor's petition against the 2nd and 3rd Defendants is on 7 November 2024. The 2nd and 3rd Defendants have filed an appeal at the High Court to appeal against the decision of the Shah Alam High Court on 8 May 2024 which has dismissed their applications to set aside the Bankruptcy Notice. The appeal has been fixed for Hearing on 23 January 2025. However, both the 2nd and 3rd Defendant had, on 30 December 2024, discontinued the said appeals.

The 2nd and 3rd Defendants have filed an appeal at the High Court and the appeal has been fixed for Hearing on 23 January 2025.

On 6 May 2024, both the 2nd and 3rd Defendants have filed their respective applications via Summons in Chambers to set aside the Bankruptcy Notices and to stay the entire bankruptcy proceedings ("**new applications**"). In this regard, the Shah Alam High Court fixed the date for decision of the new applications filed by both the 2nd and 3rd Defendants on 3 July 2024.

The Shah Alam High Court had on 3 July 2024, dismissed the new applications with costs of RM400 per application to be paid to the Company by each of them.

Meanwhile, the Company has presented a creditor petition to the High Court at Malaya in Shah Alam on 24 May 2024, following an act of bankruptcy by the 2nd and 3rd Defendants on 8 May 2024. The date for the creditor petition hearing is fixed on 26 August 2024.

Prior to the hearing of the creditor petition, both the 2nd and 3rd Defendants had on 19 and 21 August 2024, filed their respective applications via Summons in Chambers to stay the creditor petition and the entire bankruptcy proceedings pending their appeal at the Court of Appeal ("**Stay Applications**"). In this regard, the Shah Alam High Court fixed the date for decision of the Stay Applications filed by both the 2nd and 3rd Defendants on 18 October 2024. The Shah Alam High Court had on 18 October 2024 allowed both the 2nd and 3rd Defendants' Stay Applications pending the disposal of their appeal at the Court of Appeal which is fixed for hearing on 3 September 2025. The Company had, on 30 October 2024, filed an appeal at the Shah Alam High Court to appeal against the decision to allow the Stay Applications. The Company's appeal has been fixed for Hearing on 30 July 2025.

47. MATERIAL LITIGATIONS (CONT'D)

(a) High Court of Malaya at Kuala Lumpur ("KL High Court") Suit No: 22NCC-362-09/2014 between Protasco Berhad ("Company") as plaintiff against PT Anglo Slavic Utama ("PT ASU") as the 1st defendant, Tey Por Yee as the 2nd defendant and Ooi Kok Aun as the 3rd defendant (Cont'd):-

In the premises, the creditor petition filed by the Company on 24 May 2024 following an act of bankruptcy by Tey Por Yee and Ooi Kock Aun on 8 May 2024 is now fixed for hearing on 12 September 2025.

Notwithstanding the above litigation, the purchase consideration paid and advance made amounting to RM68,393,170 and RM16,250,000 respectively have been fully impaired in the financial year ended 31 December 2014.

(b) High Court of Malaya at Shah Alam ("SA High Court") Suit No. 22NCVC-561-11/2014 between Protasco Trading Sdn. Bhd. ("PTSB") as plaintiff against PT Goldchild Integritas Abadi ("Goldchild") and Ooi Kock Aun ("OKA") as defendants:-

PTSB, a wholly owned subsidiary of the Company, had entered into an agreement dated 4 February 2013 ("Agreement") to undertake coal trades with Goldchild.

Pursuant to the terms of the Agreement and to facilitate coal purchases, a deposit ("Deposit") of USD5,161,290 (approximately RM16,000,000) was paid by PTSB to Goldchild on 4 February 2013. The Deposit is to be deducted in stages against future coal trades.

On 19 July 2013, PTSB entered into a Coal Stockpile Joint Venture Agreement with Goldchild to provide a sum of not exceeding USD900,000 (approximately RM2,904,000) for the purpose of the joint venture to purchase coal in Indonesia and resell the coal to potential buyers, subject to such terms and conditions as stipulated in the Coal Stockpile Joint Venture Agreement.

On 21 November 2014, PTSB filed a legal suit against Goldchild and one of the former Directors of the Company, OKA, when the Company uncovered that OKA has an undisclosed interest in Goldchild.

OKA filed an application to strike out the legal suit against him and the application was dismissed on 19 October 2015. Thereafter, OKA filed an appeal against the SA High Court decision to the Court of Appeal. OKA's appeal has been struck off with liberty to file afresh and with no order as to costs by the Court of Appeal on 17 May 2018.

Goldchild's application to stay this legal proceeding pending arbitration was allowed by the SA High Court on 19 October 2015. Thereafter, PTSB filed an appeal against the SA High Court decision to the Court of Appeal. This appeal was withdrawn by PTSB on 24 August 2016.

Since the legal suit against Goldchild has been stayed pending arbitration, OKA filed an application for stay pending arbitration between PTSB and Goldchild which was allowed on 13 January 2016. PTSB then filed an appeal against the SA High Court decision to the Court of Appeal. This application was dismissed by the Court of Appeal on 24 August 2016. PTSB had on 23 September 2016 filed an application for leave via notice of motion seeking leave to appeal to the Federal Court of Malaysia at Wilayah Persekutuan Putrajaya ("Federal Court"). The Motion has been dismissed by the Federal Court on 11 January 2018.

Pursuant to the decision of the Federal Court, the action against PT Goldchild and OKA in the SA High Court is now stayed pending the arbitration proceedings between PT Goldchild and PTSB in Jakarta, Indonesia in accordance with the rules of Badan Arbitrase Nasional Indonesia ("BANI").

Notwithstanding the above litigation, the coal trade deposits made to Goldchild amounted to RM18,904,000 had been fully impaired in the financial year ended 31 December 2014.

48. SIGNIFICANT EVENT DURING THE FINANCIAL YEAR

On 19 July 2024, Kumpulan Ikram Sdn. Bhd. ("KISB"), a wholly-owned subsidiary of the Company, entered into a Share Sale Agreement ("SSA") with Star Teenagers International Sdn. Bhd. ("STISB") to dispose 20,000,000 of its ordinary shares held in Ikram Education Sdn. Bhd. ("IESB"), representing 100% equity interest in IESB, to STISB for a total cash consideration of RM30,000,000 in the manner as set out in the SSA ("Proposed Disposal"). The Proposed Disposal has yet to be completed at the end of the reporting period.

49. SIGNIFICANT EVENT OCCURRING AFTER THE REPORTING PERIOD

In connection to the Proposed Disposal as disclosed in Note 48 to the financial statements, KISB had on 9 January 2025 entered into a Supplementary Agreement ("SA") to the SSA with STISB whereby both KISB and STISB have agreed to reduce the number of shares of IESB being disposed by KISB to STISB from 20,000,000 ordinary shares to 18,000,000 ordinary shares, representing 90% equity interest held by KISB, for a total cash consideration of RM27,000,000 ("Revised Proposed Disposal").

The Revised Proposed Disposal is expected to be completed by April 2025.

50. COMPARATIVE FIGURES

The following figures have been reclassified to conform with the presentation of the current financial year:-

	The Group		The Company	
	As Previously Reported RM'000	As Restated RM'000	As Previously Reported RM'000	As Restated RM'000
Consolidated Statement of Cash Flows (Extract):-				
Cash flows from/(for) operating activities				
Decrease in amount owing by subsidiaries	-	-	-	899
Increase in amount owing to subsidiaries	-	-	-	985
Interest paid	-	-	(405)	(507)
Cash flows (for)/from investing activities				
Increase in deposits pledged to licensed banks	-	(910)	-	(31)
Repayment from subsidiaries	-	-	899	-
Cash flows (for)/from financing activities				
Increase in deposits pledged to licensed banks	(910)	-	(31)	-
Advances from subsidiaries	-	-	985	-
Interest paid	-	-	(109)	(7)

APPENDIX A FOR THE FINANCIAL YEAR

Ended 31 December 2024

DIRECTORS OF SUBSIDIARY COMPANIES OF THE GROUP

The following is the list of Directors who served on the boards of the subsidiary companies of the Group since the beginning of the current financial year to the date of the Directors' Report:-

Abdul Rashid Bin Halim (Appointed on 7 November 2024)
Adlin Binti Masood
Ahmad Farid Bin Ghazali (Resigned on 2 January 2024)
Aminah Binti Mohd Taib (Appointed on 6 February 2024)
Asri Bin Ramli
Azman Bin Ali @ Raji'I (Resigned on 8 May 2024)
Cheong Kah Wang
Chong Ther Shern
Chong Ther Vern
Chong Ther Zern
Da'suki Bin Razali (Appointed on 7 November 2024)
Dato' Akram Ali Al Agil
Dato' Mohd Ibrahim Bin Mohd Nor
Dato' Mohd Fauzi Bin Yaakub (Appointed on 13 August 2024)
Dato' Ir Ts. Mohd Taufik Bin Haron
Dato' Ronnie Yap Kee Tian
Dato' Sri Salleh Bin Mat Rasid (Resigned on 31 December 2024)
Dato' Ts. Azizee Bin Ismail (Appointed on 24 January 2024)
Dato' Wan Imran Bin Wan Omar
Dato' Jamal Bin Nasir
Dato' Wan Mohamed Yaacob Bin Wan Salaidin
Dr. Zulkifli Bin Abdul Hamid
Datuk Hasrin Bin Abdul Rahman (Appointed on 2 January 2024)
Hiew Vun Heng
Hishamuddin Bin Hussein
Hong Au Sheue
Hong Jok Hon
Hong Sun Ho
Idham Bin Mustafa
Ir Edward Khoo Mong Wei
Johari Bin Zainal
Kamaljeet Kaur
Kenneth Lim Wei Sen
Mac Chung Jin (Resigned on 6 February 2024)
Marina Binti Jaal (Resigned on 6 December 2024)
Mat Zin Bin Hussain

DIRECTORS OF SUBSIDIARY COMPANIES OF THE GROUP (CONT'D)

The following is the list of Directors who served on the boards of the subsidiary companies of the Group since the beginning of the current financial year to the date of the Directors' Report (Cont'd):-

Mohd Akhir Bin Abdullah
Mohd Fairuz Bin Mohamed Isa
Mohd Hafiz Bin Belal Din
Mohd Kamsatul Aidi Bin Mohd Noor
Mohd Najib Bin Abdullah
Mohd Shahrul Bin Sidin
Mohd Soud Bin Said @ Mat Ali (Appointed on 1 March 2024)
Mohd Yazip Bin Matori
Muhyidin Bin Abdul Rashid (Resigned on 1 March 2024)
Nafisah Binti Abdul Aziz (Resigned on 7 November 2024)
Nik Farzimar Binti Nik Omar
Nikifli Nurizan Bin Nik Saad (Appointed on 2 January 2024)
Nik Nur Aini Binti Nik Abdullah
Nora Binti Amir
Nordin Bin Kasiran
Norihan Binti Maelah (Resigned on 19 January 2024)
Pon Tiam Wee
Rameli Bin Ismail (Resigned on 7 November 2024)
Rosli Bin Ibrahim (Appointed on 7 May 2024)
Siti Nurbaya Binti Ismail (Appointed on 7 November 2024)
Tan Chong Seng (Deceased on 15 February 2025)
Tan Heng Kui
Tan Sri' Dato' Seri Dr Aseh Bin Haji Che Mat (Appointed on 1 November 2024)
Tan Wei Meng
Taufik Bin Abd Rahim (Appointed on 18 January 2024)
Ting Choon Fook
Tuan Haji Zulkifli Bin Ibrahim
Tuan Haji Muhyidin Bin Abdul Rashid (Resigned on 1 March 2024)
Vong Kee Sin
Wong Chun Wei
Wong Meng Jinn
Wong Wirry @ Wong Wee Chong
Zainal Abidin Bin Abu Bakar

LIST OF PROPERTIES

No.	Location	Description/ Existing Use	Age of Buildings	Tenure	Approx. Land Area sq. ft.	Net Book Value at 31.12.2024 RM'000	Date of Revaluation*/ Acquisition#
1	Lot No. 52500,52501, 52502, 52503, 52504 & PT70410, Bandar Baru Bangi, District of Sepang State of Selangor Darul Ehsan.	Institutional, commercial and residential	Between 16 - 42 years	Freehold	3.411 million	91,004	18.04.02*
2	Lot No. P.T. 172, Section 90, Town and District of Kuala Lumpur, State of Wilayah Persekutuan.	Intermediate four-storey shophouse	41 years	Leasehold 99 years expiring in 2076	1,760	491	01.03.02#
3	Lot No. P.T. 166, Section 90, Town and District of Kuala Lumpur, State of Wilayah Persekutuan.	Intermediate four-storey shophouse	41 years	Leasehold 99 years expiring in 2076	1,760	411	01.03.02#
4	Lot No. P.T. 167, Section 90, Town and District of Kuala Lumpur, State of Wilayah Persekutuan.	Intermediate four-storey shophouse	41 years	Leasehold 99 years expiring in 2076	1,760	411	11.06.02#
5	Lot No. P.T. 168, Section 90, Town and District of Kuala Lumpur, State of Wilayah Persekutuan.	Intermediate four-storey shophouse	41 years	Leasehold 99 years expiring in 2076	1,760	411	11.06.02#
6	Lot No. P.T. 169, Section 90, Town and District of Kuala Lumpur, State of Wilayah Persekutuan.	Corner lot four-storey shophouse	41 years	Leasehold 99 years expiring in 2076	2,208	577	11.06.02#
7	Country Lease No. 075356580, Sungai Tinosan, Sandakan, Sabah.	Land for future development	N/A	Leasehold 99 years expiring in 2074	291,850	511	10.03.05#
8	HS (M) 1156, Blok 7, Mukim of Dengkil, District of Sepang, State of Selangor Darul Ehsan.	Workshop	19 years	Leasehold 99 years expiring in 2080	126,300	1,348	05.08.05#
9	HS (M) 3647, Mukim of Dengkil, District of Sepang, State of Selangor Darul Ehsan.	Vacant Land	N/A	Leasehold 99 years expiring in 2091	79,100	553	25.06.08#
10	No. Hakmilik Geran 79109, Lot 3223 Mukim of Beranang District of Ulu Langat State of Selangor Darul Ehsan.	Factory	13 years	Freehold	185,566	2,121	07.10.10#

No.	Location	Description/ Existing Use	Age of Buildings	Tenure	Approx. Land Area sq. ft.	Net Book Value at 31.12.2024 RM'000	Date of Revaluation*/ Acquisition#
11	Parcel No #17-16, Level 17, Type A Lot No HS(D) 452849 PTD 198871 Mukim of Plentong District of Johor Bahru State of Johor Darul Takzim.	Service Apartment	13 years	Leasehold 99 years expiring in 2105	609	245	18.10.12#
12	De Centrum Mall Jalan Ikram-Uniten 43690 Kajang State of Selangor Darul Ehsan.	Retail mall	9 years	Freehold	197,327	31,285	31.12.15#
13	C-13-1 till C-13-10 C-14-1 till C-14-10 C-15-1 till C-15-10 C-16-1 till C-16-10 D-13-1 till D-13-10 D-14-1 till D-14-10 D-15-1 till D-15-10 D-16-1 till D-16-10 Kondominium Unipark Jalan US 1, Taman Unipark Suria Off Jalan Ikram-Uniten 43690 Kajang State of Selangor Darul Ehsan.	Condominiums	8 years	Freehold	208,000	38,346	21.11.16#
14	Lot No. PT70411 Bandar Baru Bangi District of Sepang State of Selangor Darul Ehsan	Twelve-storey academic block	8 years	Freehold	42,688	35,282	06.04.16#
15	Park Inn by Radisson Hotel Taman Unipark Suria 43000 Kajang Selangor	Hotel	5 years	Freehold	131,277	38,083	20.02.20
16	45-3A, The Residence St Regis Kuala Lumpur 6, Jalan Stesen Sentral2 50470 Kuala Lumpur	Condominium	3 Years 9 months	Freehold	2,408	4,600	26.03.21
17	No 11, Jalan Gangsa 3 Desa Perindustrian, Kulai 2 Kelapa Sawit 81030 Kulai Johor	Factory	29 years	Freehold	47,508	4,741	01.11.23
18	Lot No. 1827 Title No. PN32554 Mukim Pagoh, Daerah Alor Gajah Melaka	Vacant Land	N/A	Leasehold 99 years expiring in 2094	7,653	137	28.10.22

ANALYSIS OF SHAREHOLDINGS

as at 28 March 2025

Issued Share Capital : RM249,436,954
Class of Shares : Ordinary Shares
Voting Rights : One vote per ordinary share

DISTRIBUTION OF SHAREHOLDINGS

Size of Shareholdings	No. of Shareholders	%	No. of Shares Held	%
Less than 100	695	11.772	32,766	0.007
100 – 1,000	386	6.538	139,635	0.029
1,001 – 10,000	2,232	37.804	10,752,621	2.232
10,001 – 100,000	2,147	36.365	66,861,741	13.879
100,001 to less than 5% of issued shares	440	7.453	230,564,724	47.861
5% and above of issued shares	4	0.068	173,383,923	35.992
***TOTAL**	**5,904**	**100.000**	**481,735,410**	**100.000**

Remarks:
* *Excluding 13,656,900 treasury shares*

SUBSTANTIAL SHAREHOLDERS

	Direct Shareholdings		Indirect Shareholdings	
Name	No. of Shares Held	%	No. of Shares Held	%
Dato' Sri Ir Chong Ket Pen	93,626,376	19.44	45,597,197[(1)]	9.47
Penmacorp Sdn Bhd	45,597,197	9.47	-	-
Gan Chun Hui	35,814,100	7.43	-	-

Notes:
(1) Deemed interested pursuant to Section 8 of the Company's Act 2016 by virtue of his shareholdings in Penmacorp Sdn Bhd

DIRECTORS' SHAREHOLDINGS

	Direct Shareholdings		Indirect Shareholdings	
Name	No. of Shares Held	%	No. of Shares Held	%
Dato' Sri Ir Chong Ket Pen	93,626,376	19.44	50,312,361[(a)]	10.44
Dato' Ir Kenny Chong Ther Nen	2,866,458	0.60	2,095,800[(b)]	0.44
Dato' Su-Azian @ Muzaffar Syah Bin Abd Rahman	875,000	0.18	3,645,833[(c)]	0.76
Khoo Siang Hsi @ Khoo Chen Nan	-	-	-	-
Suhaimi Bin Badrul Jamil	76,666	0.016	-	-
Tham Wei Mei	-	-	-	-
Celine Chan Hooi Li	-	-	-	-

Notes:
(a) by virtue of his interest via his spouse, children and Penmacorp Sdn Bhd
(b) by virtue of his interest via spouse
(c) by virtue of his interest in Rencana Berkat Sdn Bhd

LIST OF TOP 30 SHAREHOLDERS

No.	Name	No. of Shares Held	%
1	CIMSEC NOMINEES (TEMPATAN) SDN BHD CIMB FOR CHONG KET PEN (PB)	57,777,816	11.994
2	AMSEC NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT - AMBANK ISLAMIC BERHAD FOR PENMACORP SDN BHD	43,943,447	9.122
3	CHONG KET PEN	35,848,560	7.442
4	CIMSEC NOMINEES (TEMPATAN) SDN BHD CIMB FOR GAN CHUN HUI (PB)	35,814,100	7.434
5	CGS INTERNATIONAL NOMINEES MALAYSIA (TEMPATAN) SDN. BHD. PLEDGED SECURITIES ACCOUNT FOR TAN YAT KIANG (MY1469)	8,702,700	1.807
6	TAN HENG KUI	7,656,250	1.589
7	MAR WOOI LIENG	7,567,000	1.571
8	MAGDALEN KHOO MONG CHEEN	5,244,883	1.089
9	CITIGROUP NOMINEES (TEMPATAN) SDN BHD EMPLOYEES PROVIDENT FUND BOARD (PHEIM)	5,089,100	1.056
10	ADDEEN HOLDINGS SDN BHD	4,899,999	1.017
11	KENANGA NOMINEES (ASING) SDN BHD RAKUTEN TRADE SDN BHD FOR YANG JIAYUAN	3,910,000	0.812
12	CGS INTERNATIONAL NOMINEES MALAYSIA (TEMPATAN) SDN. BHD. PLEDGED SECURITIES ACCOUNT FOR MAVERICK VENTURES SDN. BHD. (MY4353)	3,745,000	0.777
13	AMSEC NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR TAN CHEE WAI	3,700,000	0.768
14	CGS INTERNATIONAL NOMINEES MALAYSIA (TEMPATAN) SDN. BHD. PLEDGED SECURITIES ACCOUNT FOR TAN CHEE WAI (MP0488)	3,688,000	0.766
15	RENCANA BERKAT SDN BHD	3,645,833	0.757
16	RHB CAPITAL NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR LOW CHOON CHONG	3,096,200	0.643
17	MAYBANK NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR CHUNG MAN CHONG	2,969,658	0.616
18	RONNIE YAP KEE TIAN	2,755,307	0.572
19	LEE BOON KIAN	2,291,479	0.476
20	SABRINA HO WEI LING	2,239,266	0.465
21	ALLIANCEGROUP NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR SHEAH KOK FAH (7000808)	2,200,000	0.457
22	CIMSEC NOMINEES (TEMPATAN) SDN BHD CIMB FOR YAP OON NEO (PB)	2,178,883	0.452
23	MAYBANK NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR ROSEMARY KHOO MONG SAN	2,095,800	0.435
24	CGS INTERNATIONAL NOMINEES MALAYSIA (TEMPATAN) SDN. BHD. EXEMPT AN FOR CGS INTERNATIONAL SECURITIES SINGAPORE PTE. LTD. (RETAIL CLIENTS)	2,059,000	0.427

LIST OF TOP 30 SHAREHOLDERS

No.	Name	No. of Shares Held	%
25	LAI SEE CHEH	2,013,520	0.418
26	PENMACORP SDN BHD	1,653,750	0.343
27	LIM YING ZHEN	1,645,141	0.342
28	KHOR KENG SAW @ KHAW AH SOAY	1,605,000	0.333
29	RHB CAPITAL NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR WONG TACK PENG (LBU1031)	1,600,000	0.332
30	GAN TECK BIAU @ KENNETH GAN	1,582,849	0.329
	TOTAL	**263,218,541**	**54.640**

Note:
Without aggregating securities from different securities accounts belonging to the same person.

NOTICE IS HEREBY GIVEN THAT the 24th Annual General Meeting of the Company will be held at the Conference Hall, 1st Floor, Corporate Building, Unipark Suria, Jalan Ikram-Uniten, 43000 Kajang, Selangor Darul Ehsan on Thursday, 29 May 2025 at 11.00 a.m. to transact the following businesses:

AGENDA

1. To receive the Audited Financial Statements for the financial year ended 31 December 2024 and the Reports of Directors and Auditors thereon.

2. To approve the payment of Directors' fees and benefits of up to RM500,000/- for the period from the day after the Annual General Meeting to the next Annual General Meeting. **Ordinary Resolution 1**

3. To re-elect the following Directors retiring in accordance with the Company's Constitution:

   (i) Dato' Sri Chong Ket Pen [Article 107(1)(b)] **Ordinary Resolution 2**
   (ii) Dato' Sri Su-Azian @ Muzaffar Syah Bin Abd Rahman [Article 107(1)(b)] **Ordinary Resolution 3**
   (iii) Mr Khoo Siang Hsi @ Khoo Chen Nan [Article 107(1)(a)] **Ordinary Resolution 4**

4. To appoint auditors of the Company and authorise the Directors to determine their remuneration. **Ordinary Resolution 5**

5. To consider and if thought fit, to pass the following Ordinary Resolutions, with or without modifications:

   (A) AUTHORITY TO ALLOT SHARES

   "THAT subject always to the approvals of the relevant governmental and/or regulatory authorities, the Directors be and are hereby authorised pursuant to Section 75 of the Companies Act 2016 to allot and issue shares in the Company at any time until the conclusion of the next Annual General Meeting upon such terms and conditions and for such purposes as the Directors may in their absolute discretion deem fit provided that the aggregate number of shares to be allotted pursuant to this Resolution does not exceed 10% of the total number of issued shares of the Company for the time being." **Ordinary Resolution 6**

   (B) PROPOSED RENEWAL OF SHARE BUY-BACK AUTHORITY

   "THAT subject to the Companies Act 2016 (**Act**), the Company's Constitution, the Main Market Listing Requirements of Bursa Malaysia Securities Berhad (**Bursa Securities**) and requirements of any other relevant authorities, the Directors of the Company be and are hereby authorised to purchase its own shares through Bursa Securities, subject to the following: **Ordinary Resolution 7**

   (a) The maximum number of shares which may be purchased by the Company shall not exceed ten per centum (10%) of the total number of issued shares of the Company at any point in time;

   (b) The maximum fund to be allocated by the Company for the purpose of purchasing its shares shall not exceed the retained profits of the Company;

(c) The authority conferred by this resolution will be effective upon passing of this resolution and will continue in force until:

(i) the conclusion of the next Annual General Meeting (**AGM**), at which time the said authority will lapse, unless by an ordinary resolution passed at that meeting, the authority is renewed, either unconditionally or subject to conditions; or
(ii) the expiry of the period within which the next AGM of the Company after that date is required to be held pursuant to Section 340 of the Act; or
(iii) the authority is revoked or varied by an ordinary resolution passed by the shareholders in a general meeting;

whichever occurs first;

(d) Upon completion of the purchase(s) of the shares by the Company, the shares shall be dealt in the following manner as the Directors of the Company may decide:

(i) cancel the shares so purchased; or
(ii) retain the shares so purchased as treasury shares; or
(iii) retain part of the shares so purchased as treasury shares and cancel the remainder; or
(iv) distribute the treasury shares as dividends to shareholders; or
(v) resell the treasury shares or any of the shares in accordance with the relevant rules of Bursa Securities; or
(vi) transfer the treasury shares, or any of the shares for the purposes of or under an employees' share scheme; or
(vii) transfer the treasury shares, or any of the shares as purchase consideration; or
(viii) cancel the treasury shares or any of the treasury shares; or
(ix) sell, transfer or otherwise use the treasury shares for such other purposes as the Minister may by order prescribe.

THAT the Directors of the Company be and are hereby authorised to take all such steps as are necessary and enter into all other agreements, arrangements and guarantees with any party or parties to implement, finalise and give full effect to the aforesaid purchase with full powers to assent to any conditions, modifications, variations and/or amendments (if any) as may be imposed by the relevant authorities from time to time to implement or to effect the purchase of its own shares."

(C) APPROVAL TO CONTINUE IN OFFICE AS INDEPENDENT DIRECTOR

"THAT En Suhaimi Bin Badrul Jamil who has served the Board as the Independent Non-Executive Director of the Company for a cumulative term of more than nine (9) years be and is hereby retained as an Independent Non-Executive Director of the Company." **Ordinary Resolution 8**

6. To transact any other business of which due notice shall have been received.

BY ORDER OF THE BOARD

KHOR HOOI LING (SSM Practising Certificate No. 202008000854)
SEOW FEI SAN (SSM Practising Certificate No. 201908002299)
Secretaries

Petaling Jaya
30 April 2025

NOTES TO NOTICE OF THE 24TH ANNUAL GENERAL MEETING:

1. Only members whose names appear on the Record of Depositors as at 16 May 2025 shall be entitled to attend, speak and vote at the 24th AGM.

2. A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend, speak and vote in his stead. A proxy may but need not be a member of the Company.

3. A member shall be entitled to appoint not more than two (2) proxies to attend and vote at the AGM. Where a member appoints two (2) proxies, the appointment shall be invalid unless the member specifies the proportions of his holdings to be represented by each proxy.

4. Where a member is an authorised nominee as defined under the Securities Industry (Central Depositories) Act, 1991, it may appoint at least one (1) proxy in respect of each Securities Account it holds with ordinary shares of the Company standing to the credit of the said Securities Account.

5. Where a member of the Company is an exempt authorised nominee which holds ordinary shares in the Company for multiple beneficial owners in one securities account (omnibus account), there is no limit to the number of proxies which the exempt authorised nominee may appoint in respect of each omnibus account it holds.

6. The instrument appointing a proxy shall be in writing under the hand of the appointor or of his attorney duly authorised in writing, or if the appointor is a corporation, either under its Common Seal or under the hand of its officer or attorney duly authorised.

7. The instrument appointing a proxy and the power of attorney or other authority (if any), under which it is signed or a notarially certified copy thereof, must be deposited at the Registered Office of the Company at 802, 8th Floor, Block C, Kelana Square, 17 Jalan SS 7/26, 47301 Petaling Jaya, Selangor Darul Ehsan not less than 48 hours before the time for holding the meeting or at any adjournment thereof, otherwise, the instrument of proxy shall not be treated as valid.

8. Explanatory notes:

   Ordinary Resolution 1 - The proposed Ordinary Resolution 1 is to approve the Directors' fees and benefits payable to the Non-Executive Directors (NED) of up to an amount of RM500,000/- with effect from the day after the AGM to the next AGM of the Company.

   The fees and benefits payable to the NEDs of the Company are as follows:

   - Monthly fixed fees for discharging duties as Director; and
   - Meeting allowance for each Board/Board Committee/General Meeting attended.

   The shareholders at the Twenty-Third (23rd) AGM held on 30 May 2024 approved the Directors' fees and benefits of up to RM500,000/- for the period from 31 May 2024 until the AGM for year 2025. The actual Directors' fees and benefits paid to the NEDs for the period from 31 May 2024 until the 24th AGM is RM227,000.

   Details of the fees and benefits paid to the Non-Executive Directors for the financial year ended 31 December 2024 are disclosed on page 127 of the Overview Statement on Corporate Governance in the 2024 Annual Report.

   The Directors' fees and benefits for the Non-Executive Directors for the period from the day after the AGM to the next AGM in year 2026 are estimated not to exceed RM500,000/-. The calculation is based on the estimated number of scheduled Board and Board Committees' meetings and on assumption that the number of the Non-Executive Directors will remain the same until the next AGM in year 2026.

   The Board will seek shareholders' approval at the next AGM in the event the Directors' fees and benefits proposed is insufficient.

   Ordinary Resolution 6 - The proposed Ordinary Resolution 6, if passed, will empower the Directors of the Company to allot and issue not more than 10% of the issued shares of the Company subject to the approvals of all the relevant governmental and/or other regulatory bodies and for such purposes as the Directors consider would be in the interest of the Company.

The authority, if granted, will enable quick and cost-efficient fundraising for various corporate purposes, including but not limited to future investment projects, working capital, acquisitions, or strategic opportunities involving equity deals, which may require the allotment of new shares.

The authorisation, unless revoked or varied by the Company in general meeting, will expire at the conclusion of the next AGM of the Company.

As at the date of printing of the Annual Report, no new share was issued by the Company pursuant to the authority granted to the Directors at the 23rd AGM held on 30 May 2024 and the said authority will lapse at the conclusion of the 24th AGM.

Ordinary Resolution 7 - The proposed Ordinary Resolution 7, if passed, will empower the Directors of the Company to purchase the Company's shares up to ten percent (10%) of the total number of issued shares of the Company (**Proposed Share Buy-Back**) by utilising the funds allocated which shall not exceed the total retained earnings of the Company. Further information on the Proposed Shares Buy-Back is set out in the Share Buy-Back Statement to Shareholders dated 30 April 2025.

Ordinary Resolution 8 - The proposed Ordinary Resolution 8, if passed, will allow En Suhaimi Bin Badrul Jamil (En Suhaimi) to be retained and continue to act as Independent Non-Executive Director of the Company.

This ordinary resolution is proposed to the shareholders for approval by way of two-tier voting in compliance with the recommendation of the Malaysian Code of Corporate Governance to enable En Suhaimi to continue serving as independent director of the Company, notwithstanding that he has been an Independent Non-Executive Director of the Company for a cumulative term of more than nine (9) years but less than twelve (12) years.

En Suhaimi is a highly accomplished and experienced leader with expertise in corporate transformation, value management, restructuring, finance, turnaround management, risk management, cross-border investments, mergers & acquisitions, and strategic management.

His extensive background spans various industries, having served in key senior roles such as Group Financial Controller, Group General Manager, and Group Executive Director within a Malaysian conglomerate. The conglomerate operates in diverse sectors including property development, transportation, insurance and banking, plantation, construction, manufacturing, and investment holdings.

The Board of Directors has via the Nomination and Remuneration Committee conducted Directors' annual performance evaluation and assessment of En Suhaimi, based on the following justifications:

a. compliance with independence criteria set out in the Independent self-assessment test;
b. compliance with criteria outlined in the Directors' Fit and Proper Policy;
c. possession of sufficient self-esteem and confidence to stand up for an independent point of view;
d. approach to any transaction that requires Board's approval with a vigilant eye and an inquisitive mind;
e. unafraid to express an unpopular stance on issues or express disagreement on matters and actively pursue them with the rest of the Board; and
f. do not hesitate to ask hard and uncomfortable questions during board deliberations.

The Board believes that the skills, competence, experience and familiarity with the fundamentals of the Group's business possessed by En Suhaimi are crucial for effective decision making. Furthermore, the Board is of the opinion that En Suhaimi's long service does not compromise his independence, and he consistently provide the required checks and balances as Independent Director of the Company. Consequently, the Board recommends his continuation as Independent Non-Executive Director of the Company.

PROTASCO BERHAD

Registration No. 200101012322 (548078-H)
(Incorporated in Malaysia)

FORM OF PROXY

I/We ____
(Full Name)

NRIC/Passport/Company No. ____

of ____
(Full Address)

being a member/members of **Protasco Berhad** hereby appoint ____
(Full Name)

NRIC/Passport No. ____

of ____
(Full Address, Email Address & Contact Number)

or failing him/her ____
(Full Name)

NRIC/Passport No. ____

of ____
(Full Address, Email Address & Contact Number)

or failing him/her, the Chairman of the Meeting as my/our proxy to vote on my/our behalf at the 24th Annual General Meeting of the Company to be held at Conference Hall, 1st Floor, Corporate Building, Unipark Suria, Jalan Ikram-Uniten, 43000 Kajang, Selangor Darul Ehsan on Thursday, 29 May 2025 at 11.00 a.m. and at any adjournment thereof and to vote as indicated below:

NO.	ORDINARY RESOLUTIONS	FOR	AGAINST
1.	To approve the payment of Directors' fees and benefits.		
2.	To re-elect Dato' Sri Chong Ket Pen as a director of the Company.		
3.	To re-elect Dato' Sri Su-Azian @ Muzaffar Syah Bin Abd Rahman as a director of the Company.		
4.	To re-elect Mr Khoo Siang Hsi @ Khoo Chen Nan as a director of the Company.		
5.	To appoint auditors of the Company and authorise the Directors to determine their remuneration.		
6.	To approve the authority to allot shares.		
7.	To approve the proposed renewal of share buy-back authority.		
8.	To approve the retention of office of En Suhaimi Bin Badrul Jamil as an Independent Non-Executive Director.		

Please indicate with an "X" in the space above on how you wish to cast your vote. In the absence of specific directions, your proxy will vote or abstain as he/she thinks fit.

Signed this ____________ day of ________________, 2025

No. of Shares Held	
CDS Account No.	
Proportion of shareholdings to be represented	1st Proxy: 2nd Proxy:

____
Signature/Seal of Member

Notes:

1. Only members whose names appear on the Record of Depositors as at 16 May 2025 shall be entitled to attend, speak and vote at the 24th AGM.

2. A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend, speak and vote in his stead. A proxy may but need not be a member of the Company.

3. A member shall be entitled to appoint not more than two (2) proxies to attend and vote at the AGM. Where a member appoints two (2) proxies, the appointment shall be invalid unless the member specifies the proportions of his holdings to be represented by each proxy.

4. Where a member is an authorised nominee as defined under the Securities Industry (Central Depositories) Act, 1991, it may appoint at least one (1) proxy in respect of each Securities Account it holds with ordinary shares of the Company standing to the credit of the said Securities Account.

5. Where a member of the Company is an exempt authorised nominee which holds ordinary shares in the Company for multiple beneficial owners in one securities account (omnibus account), there is no limit to the number of proxies which the exempt authorised nominee may appoint in respect of each omnibus account it holds.

6. The instrument appointing a proxy shall be in writing under the hand of the appointor or of his attorney duly authorised in writing, or if the appointor is a corporation, either under its Common Seal or under the hand of its officer or attorney duly authorised.

7. The instrument appointing a proxy and the power of attorney or other authority (if any), under which it is signed or a notarially certified copy thereof, must be deposited at the Registered Office of the Company at 802, 8th Floor, Block C, Kelana Square, 17 Jalan SS 7/26, 47301 Petaling Jaya, Selangor Darul Ehsan not less than 48 hours before the time for holding the meeting or at any adjournment thereof, otherwise, the instrument of proxy shall not be treated as valid.

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STAMP

The Company Secretaries

PROTASCO BERHAD
802, 8th Floor, Block C, Kelana Square
17, Jalan SS7/26, 47301 Petaling Jaya
Selangor Darul Ehsan
Malaysia

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