



HARNESSING TECHNOLOGY FOR SUSTAINABLE GROWTH

ANNUAL REPORT 2024



UZMA BERHAD'S
ANNUAL REPORT 2024

HARNESSING TECHNOLOGY FOR **SUSTAINABLE GROWTH**

ABOUT THIS REPORT

Uzma Berhad (“Uzma” or “the Company”) is pleased to present our Annual Report 2024 for the Financial Year Ended 30 June 2024. This report reflects our capability and commitment to creating sustainable value for our stakeholders. Our mission is to provide a comprehensive overview of our strategies, progress, and value creation journey. We also aim to shed light on how we manage business risks and seize opportunities in the ever-evolving external landscape.

In this report, we provide clear and transparent insights into our value creation strategies for all stakeholder groups. Our goal is to empower our stakeholders with the information they need to make informed decisions regarding the Company. This report underscores our dedication to transparency and accountability.

REPORTING SCOPE AND BOUNDARY

The scope of this Report encompasses Uzma Berhad and its subsidiaries (collectively referred to as “Uzma Group” or “the Company”). It covers the financial reporting period from 1 July 2023 to 30 June 2024 (“FY2024”), adhering to the Malaysian Financial Reporting Standards (“MFRS”). This includes, all entities within Uzma Group where we hold a substantial interest and majority ownership.

The report provides disclosures related to our business segments, subsidiaries, and joint venture operations, including significant events occurring from 1 July 2023 up to the publication date.

MATERIALITY

This report highlights material matters identified by our Board of Directors with support from management. These matters are essential to our ability to generate value and achieve our core business objectives. The identification of these significant issues takes into account both internal and external factors, as well as the needs, expectations, and concerns of our stakeholders and Uzma’s strategic priorities.

The principle of materiality guided the disclosure and content of this report. A topic is considered material if it substantially influences decision-making processes and decisions of the Uzma Group and its stakeholders affecting our ability to create value over the short, medium, and long term. We reviewed our material matters through a desktop validation against industry peers and international reporting frameworks to ensure their relevance and currency.

SUSTAINABILITY REPORTING

Sustainability considerations are integral to our business, and they are woven throughout this Annual Report. Our Sustainability Statement within this report provides disclosures on sustainability governance, framework, strategic priorities, programs, initiatives, outcomes, and future plans.

Uzma is committed to managing its business in a holistic, responsible, and sustainable manner, aligning with Bursa Malaysia’s Sustainability Reporting Guide.

REPORTING FRAMEWORKS AND GUIDELINES

In preparing this report, we followed various frameworks and regulations to ensure compliance and transparency. These include:

- Bursa Malaysia Securities Berhad’s Main Market Listing Requirements (“MMLR”)
- Malaysian Code on Corporate Governance 2021 (“MCCG 2021”)
- Companies Act 2016 (“Act”)
- Malaysian Financial Reporting Standards (“MFRS”)

Our Sustainability Statement was developed in alignment with the following frameworks and indicators:

- Bursa Malaysia Sustainability Reporting Guide
- United Nations’ Sustainable Development Goals (“UNSDGs”)
- Global Reporting Initiative (“GRI”) Standards (Core)
- Task Force on Climate-related Financial Disclosures (“TCFD”)
- FTSE Russell’s ESG Rating Indicators

ASSURANCE

The entire report has undergone careful review and approval by the Board of Directors. Our external auditors, Messrs. Al Jafree Salihin Kuzaimi PLT, have ensured the accuracy of all financial data. Financial data in this report has been audited by Messrs. Al Jafree Salihin Kuzaimi PLT, adhering to reporting standards and processes. Non-financial performance data in this report has not undergone formal auditing. However, the Management of Uzma Group has exercised due diligence to provide an accurate and fair judgment on all material matters, including strategic plans.

INFORMATION ON EXCLUSION

Certain categories of information have been withheld in line with our disclosure strategy. These include information that could jeopardize our strategic and competitive advantage, information subject to contractual restrictions, and information we are unable to verify.

FORWARD-LOOKING STATEMENTS

This report contains forward-looking statements of Uzma's financial position, results, operations, and businesses. These statements involve risk and uncertainty and are based on information available as at 30 June 2024. Actual results may differ from projections due to various factors, and readers are encouraged to conduct due diligence.

DIRECTORS' RESPONSIBILITY STATEMENT

The Board of Directors takes responsibility for the accuracy and reliability of Uzma's Annual Report 2024. We believe it provides a fair assessment of the Group's performance and covers all essential material issues contributing to value creation. This report was approved by the Board on 27 September 2024.

FEEDBACK AND INQUIRIES

We welcome your feedback form and inquiries to enhance our reporting communications. We are committed to ongoing improvements in our reporting quality.



Please feel free to reach out to our Group Communications unit:

Tel: +603 7611 4000

Email: communications@uzmagroup.com

TABLE OF CONTENTS

01

Overview of Uzma

Who We Are	10
What We Do	12
Our Assets	14
Uzma's Year In A Brief	24
Corporate Information	30
Corporate Structure	32

02

Our Strategy & Performance Review

5-Year Financial Highlights	36
Chairman's Foreword	38
Group CEO's Review on Operations	42
Management Discussion & Analysis	46
Our Strategy	58

03

Our Leaders

Board of Directors Profile	62
Oversight Committee Profile	74

04

Our Sustainability Journey

Sustainability Statement	82
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17TH
ANNUAL
GENERAL
MEETING

Day & Date : Wednesday, 13th November 2024
Time : 10.00 am
Broadcast Venue : Level 2, Uzma Tower,
No. 2, Jalan PJU 8/8A, Damansara Perdana,
47820 Petaling Jaya, Selangor, Malaysia
Method : Virtual Meeting through LIVE Streaming

05

Corporate Governance

Corporate Governance Overview Statement	154
Statement on Risk Management and Internal Control	168
Audit Committee Report	174
Nomination and Remuneration Committee Report	180
Additional Compliance Information	184

06

Financial Statements

Director's Report	189
Statement by Directors	194
Statutory Declaration	194
Independent Auditor's Report	195
Financial Statements	200

07

Additional Information

List of Properties	310
Analysis of Shareholdings As At 30 September 2024	312

08

Annual General Meeting

Notice of 17th Annual General Meeting	318
Administrative Guide for the 17th Annual General Meeting	326
Proxy Form	332

Read Uzma's Annual Report 2024 via our Website

In line with Uzma's commitment to sustainability and the environment, we will not be distributing hard copies of this Report, except upon request.

We encourage you to read the Report on our website, which is available at www.uzmagroup.com, you can also access it by scanning this QR code.

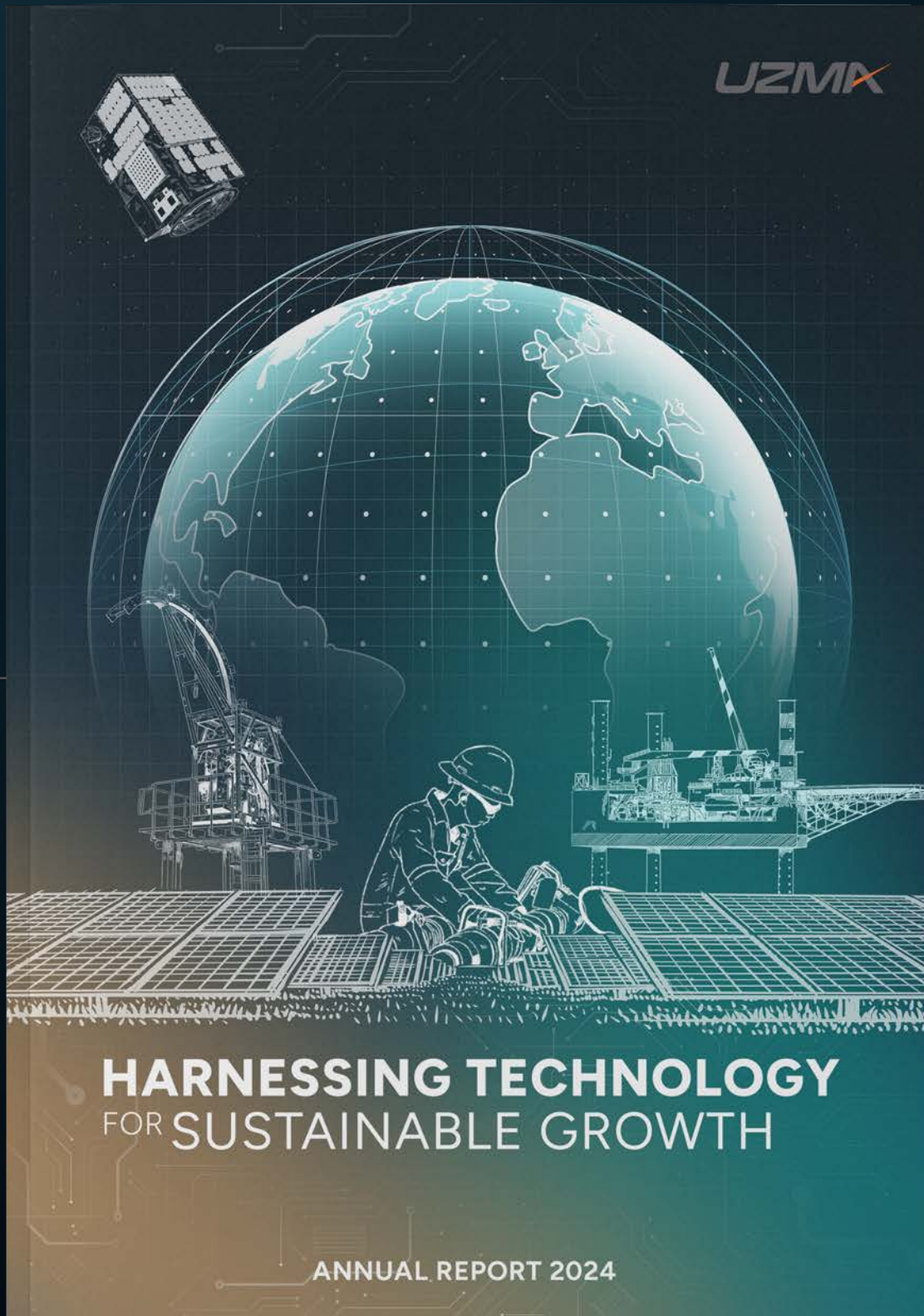


An abstract graphic of a circuit board pattern, featuring a complex network of blue lines and dots that resemble electronic traces and components, set against a light gray background.

COVER THEME RATIONAL

"Harnessing Technology for Sustainable Growth" the theme for Uzma's Annual Report 2024, showcases Uzma's commitment to focus on technologies to create sustainable solutions for future challenges in promoting environmentally friendly business practices and growth.

This year's Annual Report highlights Uzma's dedication to sustainable growth through low carbon footprints with the diversification of our non-oil gas portfolio which includes renewable energy and the introduction of energy trading and digital earth.

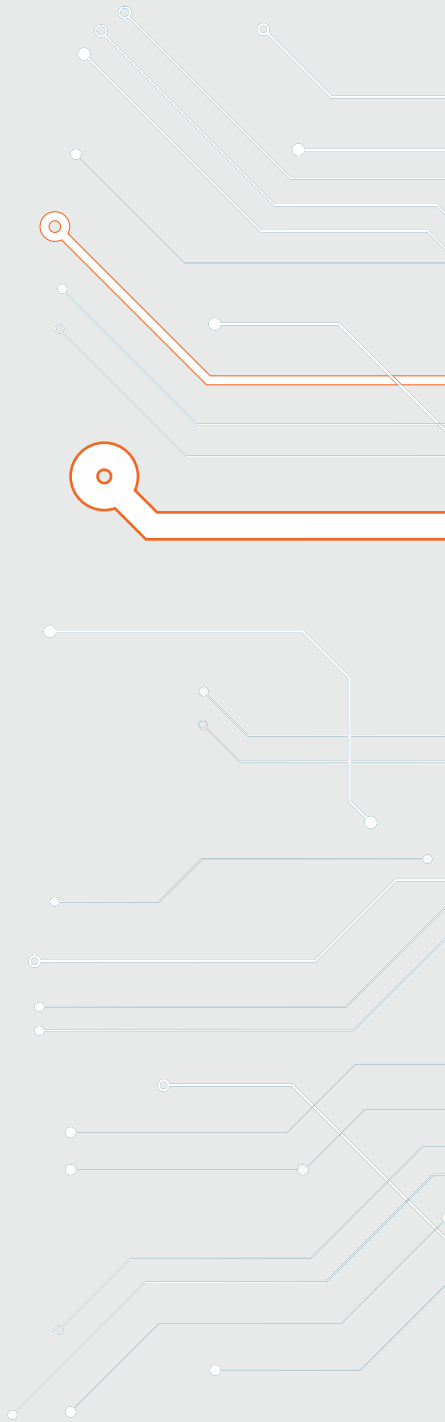


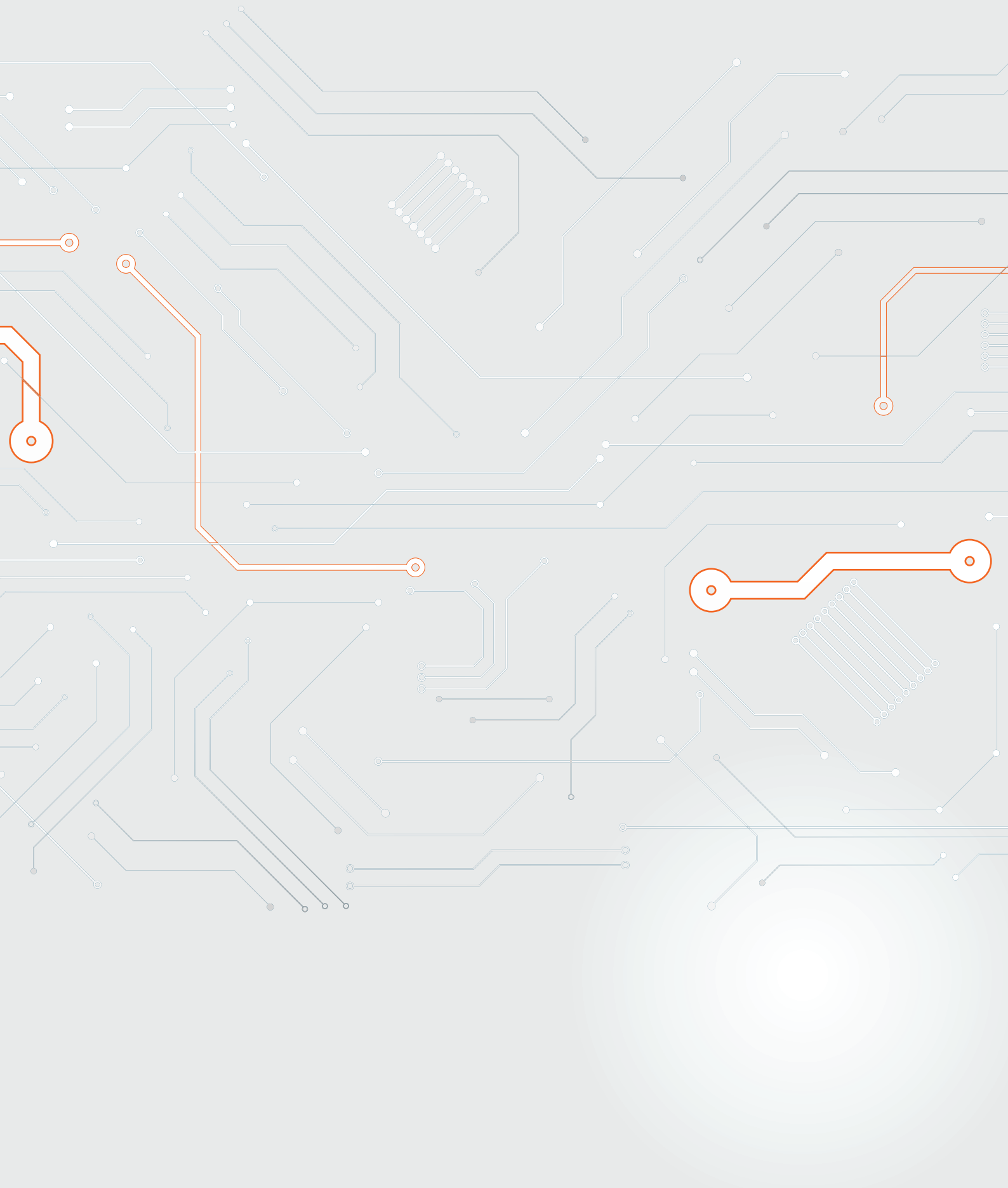
SECTION

01

OVERVIEW
OF UZMA

Who We Are	10
What We Do	12
Our Assets	14
Uzma’s Year In A Brief	24
Corporate Information	30
Corporate Structure	32





WHO WE ARE



OUR STORY

From its humble beginnings as a manpower consultancy supply company in 2000, Uzma has evolved into a prominent player in the energy and technology industry. Our operational footprint extends across Malaysia, Thailand, Indonesia, and the Philippines, firmly establishing Uzma's presence in the region. Our hallmark has been the delivery of exceptional customer service and the provision of high-quality solutions.

Driven by an unwavering passion for technological innovation, we have embarked on a trajectory of rapid growth, venturing into new markets and pioneering innovative service offerings that transcend Malaysia's borders. Our transformative Five-Year Plan, known as uzma5YP, which was reformulated in 2020 to Uzma5R, has strategically realigned our business, placing a strong emphasis on integrated solutions, asset and technology-based approaches, and diversification into emerging growth sectors such as New Energy, Digitalisation, and Downstream business.

At Uzma, a commitment to continuous innovation is at the core of our ethos. Our DNA, embodied in the uzmaWAY, encapsulates our unwavering pursuit of excellence. This guiding principle empowers us to tackle the ever-evolving challenges of the industry and deliver exceptional value to our clients. With steadfast dedication and a focused approach, we take pride in our contribution to a more sustainable industry ecosystem, consistently innovating solutions that benefit all our stakeholders.

Uzma Berhad has been proudly listed on Bursa Malaysia's Main Board since July 2008. For more information on Uzma and our transformative solutions, visit us at www.uzmagroup.com.

OUR VISION

We aspire to become a leading energy and technology company in the region, dedicated to fostering sustainable growth and enhancing value for all stakeholders. We aim to achieve this by fostering excellence through continuous innovation.

OUR MISSION

As a dynamic, integrated regional energy and technology company, we are committed to delivering lasting excellence and value to our stakeholders through our niche and innovative solutions across a diverse portfolio.

OUR VALUES

Uzma Group is an integrated group of companies that provides cost-effective solutions to the energy and technology industries throughout the value chain. We are driven by the aspiration to exceed our stakeholders' expectations. We deliver this aspiration by adhering to a set of unified corporate values known as the **uzmaWAY**. These values serve as the foundational pillars of our corporate identity and culture across our organisation.



Health & Safety

Uzma believes in providing a healthy, secure, and safe working environment in all of our operations and activities, regardless of where we are on the globe. A positive health and safety culture is instilled within our organization. Our stakeholders and their loved ones shall have a peace of mind knowing that they are always in good hands.



People

Uzma aspires to be the employer of choice and to be a catalyst for a balanced passion towards work and life. We nurture leadership, teamwork, and innovation to achieve our common goals. We develop the personal and professional competencies of our people. We remain humble, respectful, and exude positive attributes in our communication with stakeholders.



Quality

Uzma adopts the highest standards of personal and professional integrity in executing its business activities, both internally and externally. We are committed to ethical business practices and good corporate governance to be an exemplary corporate citizen.



Integrity

Uzma believes in coexisting with and preserving the environment. Our stakeholders can rest assured that we constantly strive to leave minimal environmental footprints in every activity we undertake on this precious planet.



Environment

Uzma embraces proactivity and cost-effectiveness in planning, executing, and continuously improving our deliverables to exceed the expectations of all our stakeholders. We ensure that our people are efficient and effective in executing their responsibilities. We possess the agility to quickly adapt to our stakeholders' expectations and strive to be the best in everything we do.

These core values are embraced, practiced, and demonstrated by everybody at Uzma.

Recognising that we are only as strong as our weakest link, we ensure that our employees, partners, consultants, and supply chain fully understand and voluntarily subscribe to the **uzmaWAY**.



WHAT WE DO

OIL & GAS DIVISION

WS WELL SOLUTIONS

- Hydraulic Workover Services
- Plug and Abandonment
- Coiled Tubing
- Wireline
- Well Pumping
- Cementing
- Desander
- Directional Drilling
- Drill Bits & Enlargement Equipment and Services
- Annulus Wash & Cementing Assurance (AWCA)
- Well Stimulation
- Well Chemicals

PS PRODUCTION SOLUTIONS

- Advanced Production Enhancement System
- Water Injection Facilities
- Portable Water Injection Module
- Geoscience Studies & Laboratory Services
- Gas Handling System
- Well Testing Equipment Rental & Services
- Early Production Facilities
- Filtration Services
- Artificial Lift
- Production Chemicals
- Pump Manufacturing
- Supply and Installation of Non-Metallic Pipeline
- Supply of Equipment and Consumables

REVOLUTIONISING ENERGY, EMPOWERING SUCCESS

NEW BUSINESS DIVISION

NE DE ET
NEW ENERGY DIGITAL EARTH ENERGY TRADING

- Developer and Operator of Renewable and Clean Energy
- Engineering, Procurement, Construction and Commissioning ("EPCC") Contractor for Solar Photovoltaic ("PV")
- Liquefied Natural Gas ("LNG") & Petrochemical Trading
- Geospatial Services
- Satellite Imagery and Analytics
- Satellite IOT

OUR ASSETS OIL & GAS ASSETS

Our expertise drives the exploration, development, and production value chain within the Oil and Gas industry. From upstream services to innovative solutions, we ensure operational efficiency and sustainable resource extraction, advancing the energy landscape.

WATER INJECTION FACILITIES (uzmaWIF)

01 MARSYA

DESCRIPTION OF SERVICE / ASSET

The first-ever Water Injection Facilities ("uzmaWIF"), installed on a mobile self-elevated platform exclusively for water injection purposes (without any other Oil & Gas production equipment). The uzmaWIF is a standalone facility designed to handle a large quantity of injection. Since its inception in 2016, the uzmaWIF has injected a cumulative total of over 5 million barrels of water with a recorded monthly uptime of up to 100%.

KEY SPECIFICATIONS / ADVANTAGES

- Up to 66,000 BWPD injection capacity.
- Mobile self-elevated platform capable of operating throughout the monsoon season.
- Spacious accommodation living quarters for 60 people.
- Designed with a 10-year lifespan.
- Provides a zero capital expenditure ("CAPEX") ultimate solution for the client.



02 SARA

DESCRIPTION OF SERVICE / ASSET

Introducing our newly acquired water injection facility, set to begin operations in mid 2025. With an impressive injection capacity of up to 30,000 barrels of water per day (bwpd), this facility stands as a testament to our ongoing commitment to excellence and innovation in the energy sector.

This new facility is proudly recognised as the sister rig to our first water injection facility (MARSYA), which has been successfully operational since 2016. Together, these two facilities symbolise our dedication to enhancing reservoir pressure maintenance, ensuring optimal production efficiency, and reinforcing our leadership in sustainable energy solutions.

KEY SPECIFICATIONS / ADVANTAGES

- Up to 30,000 bwpd injection capacity.
- Mobile self-elevated platform capable of operating throughout the monsoon season.
- Spacious accommodation living quarter for 60 people.
- Designed with a 10-year lifespan.
- Provides a zero capital expenditure ("CAPEX") ultimate solution for the client.



PORTABLE WATER INJECTION MODULE (uzmaWIM)

DESCRIPTION OF SERVICE / ASSET

Our Portable Water Injection Module ("PWIM" or "uzmaWIM") is a portable, purpose-built water injection system. Our services encompass the provision of equipment, personnel, filters, consumables, and chemicals required to treat seawater to meet the necessary quality standards for injection. The uzmaWIM represents a pioneering innovation as the first of its kind in Malaysia.

The unmanned, compact system offers an exceptionally cost-effective solution. It boasts user-friendly operation and can be easily reinstalled on various platforms. With its small footprint, it can seamlessly integrate into compact wellhead platforms, frequently encountered in offshore locations.

KEY SPECIFICATIONS / ADVANTAGES

- Up to 66,000 BWPD injection capacity.
- Mobile self-elevated platform capable of operating throughout the monsoon season.
- Spacious accommodation living quarters for 60 people.
- Designed with a 10-year lifespan.
- Provides a zero capital expenditure ("CAPEX") ultimate solution for the client.



ADVANCED PRODUCTION ENHANCEMENT SYSTEM (uzmAPRES™)

DESCRIPTION OF SERVICE / ASSET

An economically efficient solution for revitalising dormant wells and augmenting the production of low-pressure wells by reducing the surface system pressure to levels approaching atmospheric pressure.

KEY SPECIFICATIONS / ADVANTAGES

- Over 12 years of uzmAPRES™ track record.
- Total of 13 installations.
- Pioneered the first mobile low-pressure system in Malaysia.
- Achieved a cumulative oil gain of over 9 million barrels with uzmAPRES™.



LIGHT WEIGHT WELL TESTING

DESCRIPTION OF SERVICE / ASSET

Surface well testing stands as the singular technique available today to comprehensively evaluate the true reservoir potential under dynamic conditions. It validates well performance throughout activities during well unloading, commissioning, while concurrently enabling reservoir monitoring to enhance field management.

Conventional well testing equipment is primarily suitable for deployment on either drilling rigs or production platforms, wherein the infrastructure can accommodate the required space and support a lower crane lifting limits. Throughout the years, our Well Testing services have successfully overcome these challenges.

In response to these constraints, Uzma has, ingeniously developed the Light Weight Well Testing equipment, effectively addressing these limitations. This innovation has enjoyed significant success since its introduction to the Malaysian market in 2018.

KEY SPECIFICATIONS / ADVANTAGES

- Cost-efficient.
- Small footprint.
- Modular design.
- Rapid mobilisation / demobilisation.



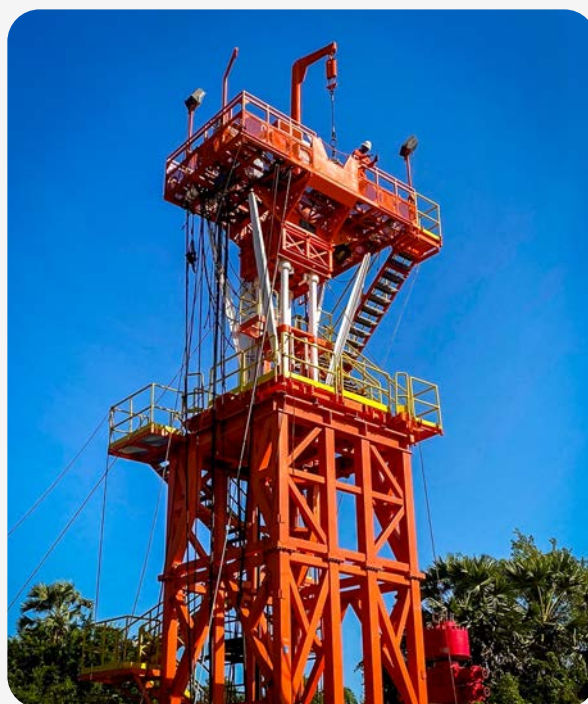
HYDRAULIC WORKOVER UNIT (HWU)

DESCRIPTION OF SERVICE / ASSET

Hydraulic workover operations are facilitated through the utilisation of hydraulic workover units ("HWUs"). These versatile units expedite a range of well abandonment and workover activities, encompassing repairs to well casings and casing levels, sand cleanout from the well, change-out completions, well deepening, installations of tailpipes and liners, plug milling, cementing, and repairing of downhole safety valves. HWUs stand out as highly cost-effective and efficient machinery, given the expenses associated with exploration and production activities. Moreover, these units are engineered to function seamlessly in both offshore and onshore sites.

KEY SPECIFICATIONS / ADVANTAGES

- Cost efficiency.
- Compact footprint and reduced weight.
- Reduced environmental impact.
- Optimization for offshore applications.
- Modular design.
- Rapid mobilisation and demobilisation.



WIRELINE

DESCRIPTION OF SERVICE / ASSET

We offer a full range of Cased Hole activities throughout all stages of hydrocarbon well life cycles, utilising advanced technology tools alongside robust operational management and a team of highly experienced personnel.

We take a leading role in aiding clients to identify, characterise, and optimise their hydrocarbon reservoirs.

Our commitment lies in providing top-tier services that are cost-effective, ensuring both quality and safety remain uncompromised.

KEY SPECIFICATIONS / ADVANTAGES

- Well Integrity Services – Offering comprehensive solutions for casing and tubing wear, as well as metal loss.
- Production Logging Services – Delivering accurate production profiling through complete solutions.
- Perforation Services – Providing a wide range of perforation services, accommodating various well profiles, including highly deviated wells.
- Pipe Recovery Services – Ensuring safe, efficient, and cost-effective operation, with both explosives and mechanical systems for the casing and tubing cutting system.
- Well Intervention Services – Offering a diverse range of mechanical intervention tools on wireline conveyance.
- Interpretation Services – Skillfully interpreting geological and petrophysical data, analysing datasets to identify potential hydrocarbon resources and optimise production.



DIRECTIONAL DRILLING (DD) UNIT

DESCRIPTION OF SERVICE / ASSET

The Directional Drilling ("DD") unit is comprised of mud motors, drilling jars, various stabilisers, and drilling subs. These components execute drilling operations, complemented by additional Bottom Hole Assembly ("BHA") elements such as bits, Heavy Weight Drill Pipe ("HWDP"), and Drill Pipe ("DP"). These assets can function within the Uzma DD unit or be integrated with other units/tools provided by external parties. Designed for both onshore and offshore applications, these units stand out in their ability to withstand higher temperatures compared to normal and conventional industry tools.

The Uzma DD units have been meticulously engineered to excel in both mature fields and hostile drilling environments, accommodating water-based and oil-based mud types of drilling fluids.

KEY SPECIFICATIONS / ADVANTAGES

- Cost-efficient.
- Long-lasting and durable.
- Tough and robust.
- Modular design.



MEASUREMENT WHILE DRILLING (MWD) UNIT

DESCRIPTION OF SERVICE / ASSET

Our Measurement While Drilling ("MWD") unit consists of both single telemetry and dual telemetry modes, utilising mud pulse and optionally combining mud pulse with electromagnetic telemetry simultaneously. Our unit is retrievable in case of a stuck event, providing significant benefits to operators. It is suitable for both offshore and onshore locations.

The Uzma MWD units have been purposefully engineered to excel in both mature fields and challenging drilling environments, accommodating both water-based and oil-based mud types of drilling fluids.

KEY SPECIFICATIONS / ADVANTAGES

- Cost-effective.
- Multiple modes of telemetry.
- Retrievable.



COILED TUBING UNIT (CTU)

DESCRIPTION OF SERVICE / ASSET

Our Coiled Tubing Units ("CTUs") have become essential tools in well intervention and workover operations, effectively enhancing production and ensuring consistent performance. Our packages are meticulously designed to elevate production rates and address well-related issues that could otherwise impede the flow of oil and gas.

KEY SPECIFICATIONS / ADVANTAGES

- Conducting Coiled Tubing services in Malaysia since 2016.
- Supported by engineering software such as CIRCA, CYCLE & STIMPRO.
- Pressure rating up to 10,000 psi.
- Tubing sizes: 1.25" to 2".



CATENARY COILED TUBING UNIT

DESCRIPTION OF SERVICE / ASSET

With a catenary coiled tubing unit, well intervention work can be effectively conducted from work barges. Complete catenary systems include a dedicated catenary coiled tubing power pack, cabin, and feeder/power reel located on the barge, while necessary hydraulic supply lines are installed between the barge and the vessel.

The power pack on the barge ensures that the feeder/power reel remains under total control during coiled tubing shearing, even if the barge pulls away from the platform.

KEY SPECIFICATIONS / ADVANTAGES

- Compact footprint and light weight catenary CTU package, ideal for constrained deck space on small platforms.
- Rapid coiled tubing shearing in emergency pull-out situations during adverse weather conditions.
- Reduced heavy lifting, time, associated costs, and enhanced safety during the preparation phase.
- Proven efficiency improvements, safety enhancements, and quicker operations with CT catenary procedures, leading to cost savings during well interventions.



WELL PUMPING

DESCRIPTION OF SERVICE / ASSET

Well pumping stands as a fundamental service essential throughout a well's lifecycle. It is frequently employed for well stimulation and well integrity restoration, involving the injection of chemicals from the surface into the well. This process stimulates the flow of oil and gas from the reservoir, or it can be used to isolate specific zones and address leaks, thereby enhancing well productivity.

KEY SPECIFICATIONS / ADVANTAGES

- Pioneers as the first Malaysian-owned and operated service providers to the upstream oil and gas sector.
- Pumping Data Acquisition System ("PDAS") offers real-time data monitoring and acquisition.
- Brings expertise in pumping and well services since 2009.
- Pump rate: 5-8 bpm.
- Pressure rating of up to 10,000 psi.



NITROGEN CONVERTOR UNIT

DESCRIPTION OF SERVICE / ASSET

The 180K LN2 nitrogen pumping skid stands as a self-contained unit with the capacity to pump and vaporise 180,000 SCFH at 70°F and pressures up to 10,000 psi, provided it's supplied with LN2 from a suitable tank. Its key components include a diesel engine that drives four Denison hydraulic pumps via a Funk 2 pad splitter/gearbox, two hydraulic-driven triplex pumps, an LN2 engine coolant vaporizer/heat exchanger, and certified steel lifting frame/skid to house these elements.

KEY SPECIFICATIONS / ADVANTAGES

- Approved by a recognised certifying authority.
- Approved for usage in Zone II areas.
- Equipped with an inlet flame trap and an exhaust flame trap.
- Features an engine water over-temperature shutdown.
- Includes high exhaust temperature and low oil pressure shutdowns.
- Incorporates engine overspeed shutdown and GN2 overpressure shutdown capabilities.
- Equipped with an emergency kill function.
- Equipped with gas detection capabilities.



DESANDER / FLOWBACK

DESCRIPTION OF SERVICE / ASSET

The surface handling system is designed to manage sand returns from the well. Our comprehensive service offers a complete surface handling package for effectively handling sand returns while ensuring uninterrupted downstream production equipment operations.

KEY SPECIFICATIONS / ADVANTAGES

- Pressure rating ranging from 5,000 – 10,000 psi.
- Liquid capacity of up to 6,500 bbl/day.
- Gas capacity of up to 50 MMscfd.
- Sand capacity of up to 265 kg/pod.
- Filter size of up to 50 microns.



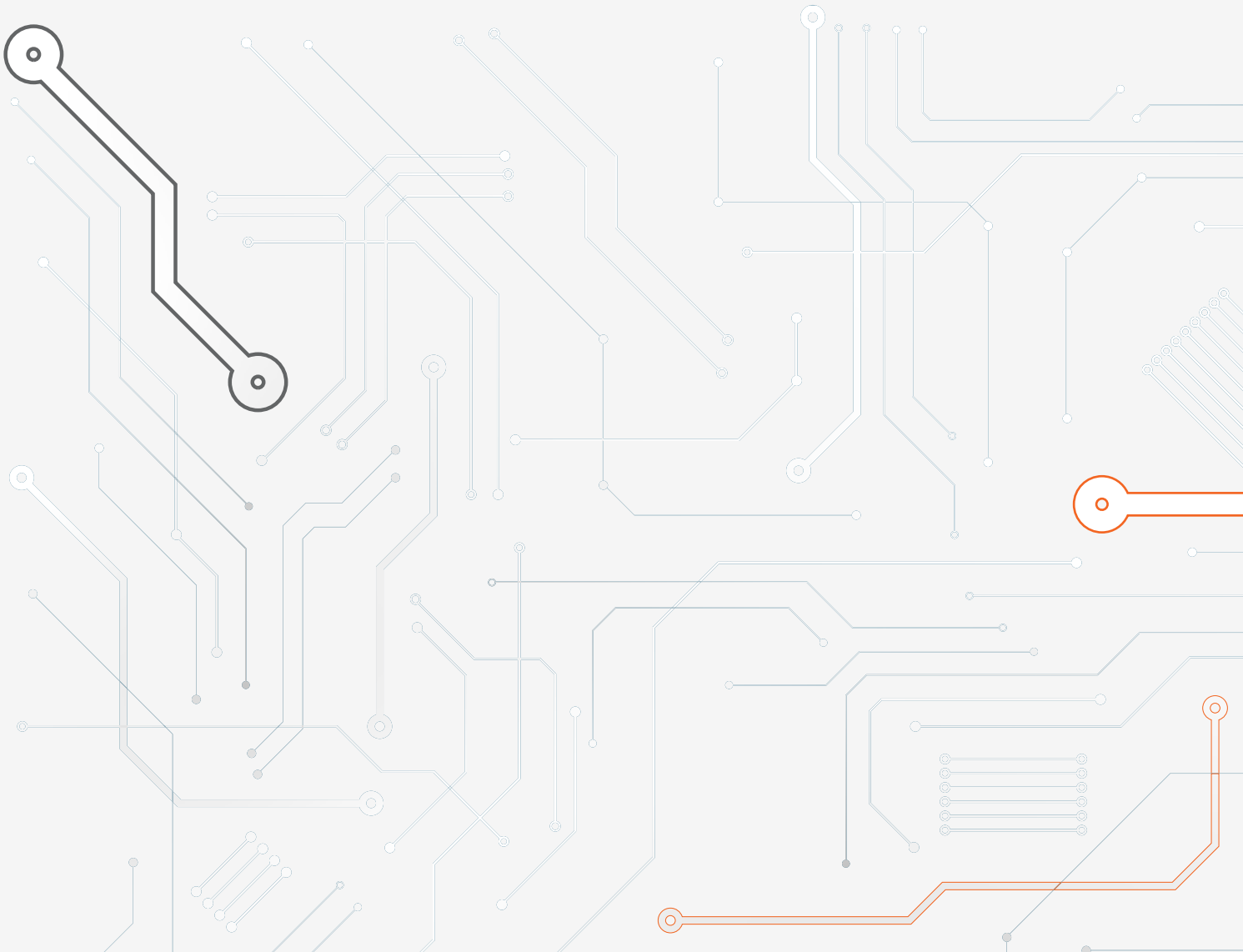
CEMENTING

DESCRIPTION OF SERVICE / ASSET

Cementing serves the purpose of providing support and protection to the well casing while achieving zonal isolation within the wellbore. The cementing process establishes and upholds zonal isolation crucial for the well's safety, environmental responsibility, and profitability. Our cementing services encompass a diverse array of technologies and solutions, ensuring the integrity of wells over the long term.

KEY SPECIFICATIONS / ADVANTAGES

- Capable of operating at pressures up to 10,000 psi.
- Pump rate of up to 7 bpm using a Triplex pump.
- Fully developed cementing laboratories in East and West Malaysia.
- Equipped with a Real-time Data Acquisition System.
- Supported by engineering software such as PLUGPRO and CEMPRO.



OUR ASSETS NEW ENERGY ASSETS

In the realm of New Energy, we are at the forefront of innovations in renewable energy and emerging energy solutions. Our services advance sustainable practices, contributing to the global transition towards a greener energy future.

50MWac LARGE SCALE SOLAR ("LSS") PLANT



DESCRIPTION OF SERVICE / ASSET

This asset was developed and operated under the Suruhanjaya Tenaga's programme known as Large Scale Solar by Malaysian Electricity Industry to Attract RE Investment ("LSS@MENTARI") which aims to boost the renewable energy supply in Malaysia and stimulate the economy after the impact of Covid-19. LSS@MENTARI was expected to generate approximately RM4 billion in renewable energy developments, which were to bring about significant benefits to the country including the creation of approximately 12,000 job opportunities.

Uzma Kuala Muda Sdn Bhd's 50MWac LSS plant, shall generate at least RM225 million investment.

KEY SPECIFICATIONS / ADVANTAGES

- Established Capacity of 50MWac and installed capacity of 73.33MWdc.
- The asset provides steady, concession-based source of revenue through the supply and sale of electricity generated from the plant to Tenaga Nasional Berhad ("TNB") for 25 years.
- Located at Bukit Selambau, Sungai Petani, Kedah, ensuring better irradiance for energy generation with high prospect of additional revenue from excess energy.
- The total land area covers over 200 acres, with only 182 acres currently developed, leaving potential for additional economic use of the remaining land.
- Renewable energy generated throughout the concession period shall result in approximately 1.9 megatonne carbon offset.
- Specifications include the use of bifacial tier-1 solar panel and other equipment and material as approved by TNB, ensuring optimal performance and minimal operational risks.
- Performance guarantees of solar panel extend beyond the concession period, offering significant residual value post-concession and project life-cycle.

TOTAL CAPACITY 2024

> 100 MW

TOTAL DEVELOPMENT COST

RM 303 MIL

420 kWp SOLAR PLANT @ SUNGAI BULOH

DESCRIPTION OF SERVICE / ASSET

This asset was developed and is operated pursuant to SEDA's feed-in tariff programme by Mahendran Surya Innovations Sdn Bhd.

KEY SPECIFICATIONS / ADVANTAGES

- Capacity – 420 kWp.
- SEDA FiT tenure – 21 years.
- The plant generates approximately 519,031 kWh of clean energy annually thereby reducing CO2 emission approximately by 415 tonnes.
- The plant benefits from higher tariff under the feed-in tariff programme.

437 kWp SOLAR PLANT @ ARA DAMANSARA

DESCRIPTION OF SERVICE / ASSET

This asset was developed and is operated pursuant to the Net Energy Metering ("NEM") scheme by the Sustainable Energy Development Authority Malaysia ("SEDA").

KEY SPECIFICATIONS / ADVANTAGES

- Installed Capacity: 473 kWp.
- The asset provides steady, concession-based source of revenue through the supply and sale of electricity generated from the plant for 21 years.
- This plant generates approximately 535,080 kWh of clean energy annually. The clean energy produced by the plant shall reduce CO2 emission approximate 341 tonnes.

548 kWp SOLAR PLANT @ PULAU CAREY

DESCRIPTION OF SERVICE / ASSET

This asset was developed and is operated under SEDA's NEM scheme.

KEY SPECIFICATIONS / ADVANTAGES

- Installed capacity: 538 kWp.
- The asset provides steady, concession-based source of revenue through the supply and sale of electricity generated from the plant for 15 years.
- The plant generates approximately 778,563 kWh of clean energy annually thereby reducing CO2 emission approximately 497 tonnes.

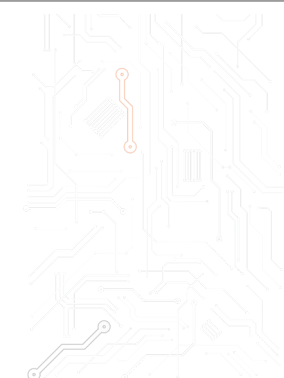
UZMA'S YEAR IN BRIEF

EVENTS IN UZMA

JULY 2023



AUGUST 2023



SEPTEMBER 2023



OCTOBER 2023



NOVEMBER 2023



DECEMBER 2023



JANUARY 2024



APRIL 2024



FEBRUARY 2024



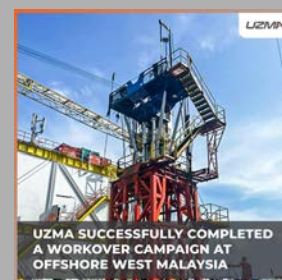
MAY 2024



MARCH 2024



TAKZIRAH RAMADAN 2024



JUNE 2024



AWARDS & RECOGNITIONS

AUGUST 2023



Uzma won 'Smart Technology Innovation of the Year' award at the Solar Week Malaysia 2023 Event



SVP earned a place among the top 3 vendors for Safety Excellence and HSE Best Practices, event organised by SKA QEM in Miri

DECEMBER 2023



Uzma received appreciation award from Universiti Malaysia Terengganu during Majlis Penghargaan Rakan Industri 2023 (MPRI 2023) at Putrajaya International Convention Centre

MARCH 2024



Uzma has been awarded the "Innovative & Collaboration P&A Award" at the MPM Wells Management 2024 Performance Award Ceremony



Uzma received the Best Technology Award in the Emerging Technology Category at the Malaysian Technology Excellence Award 2024

MAY 2024



MMSVS, a foreign subsidiary of Uzma, received the PTTEP Thailand Safety, Security, Health & Environment Excellence Award for its hydraulic workover services in Thailand. Uzma Group was also honoured with the CEO Safety Excellence Award and Single Star Trophy for 50,000 man-hours in hydraulic workover and drilling fluids services in Malaysia

HSE GROUP PERFORMANCE MILESTONES

JULY 2023



Uzma Group has reached a remarkable milestone of 7 Million Manhours without any Lost Time Incidents

DECEMBER 2023



Uzma Celebrates 1500 Days Without LTI, Marking Safety Excellence

FEBRUARY 2024



Uzma Reaches 8 Million Man-Hours Without LTI, Setting a New Safety Milestone

**For QHSE Awards refer to our Sustainability Statements at pages 121*

CONTRACTS AWARDED

3 JULY 2023

MEMORANDUM OF UNDERSTANDING TO EXPLORE POTENTIAL COLLABORATIONS, DEVELOP INNOVATIVE SOLUTIONS AND PROVIDE COMPREHENSIVE SERVICES IN THE OIL AND GAS INDUSTRY

Uzma Engineering Sdn Bhd entered into a Memorandum of Understanding ("MOU") with Malaysia Marine and Heavy Engineering Sdn Bhd, to explore potential collaborations, develop innovative solutions, provide comprehensive services in the oil and gas industry inclusive of floater conversion/modification as well renewable energy solutions ("Prospect"), and jointly prepare and submit competitive technical and commercial proposals for any potential, selected and agreed Prospect. The duration of the MOU is for a period of one (1) year effective 3 July 2023 until 2 July 2024.

12 JANUARY 2024

MEMORANDUM OF UNDERSTANDING TO COLLABORATE IN PROVIDING OIL & GAS AND GEOTHERMAL DRILLING SERVICES AND OTHER SUPPORTING SERVICES

Uzma Engineering Sdn Bhd entered into a Memorandum of Understanding ("MOU") with PT. Pertamina Drilling Services Indonesia on 5 January 2024, to explore potential collaborations in oil and gas and geothermal drilling services and other services which are not limited to onshore/offshore rigs, gas monitoring system services, fishing services, tubular running services and other upstream services in several countries including Malaysia, Philippines and Thailand. The duration of the MOU is for a period of one (1) year effective 5 January 2024 until 4 January 2025.

30 JANUARY 2024

AWARD OF CONTRACT FOR SUPPLY OF CHEMICALS AND RELATED SERVICES FOR PM3

Malaysian Energy Chemical & Services Sdn Bhd has secured a 5-year contract from Hibiscus Oil & Gas for the Supply of Chemicals and Related Services for PM3 pursuant to Hibiscus Oil and Gas Letter of Award dated 16 November 2023.

15 FEBRUARY 2024

AWARD OF TERM CONTRACT OF PORTABLE WATER INJECTION MODULE (PWIM) FOR SEPAT PLATFORM

Uzma Engineering Sdn Bhd has been awarded a term contract from Petronas Carigali Sdn Bhd in respect of Portable Water Injection Module (PWIM) for Sepat Platform ("Contract"). This Contract which became effective on 12 January 2024, is a continuation from the previous award which expired on 11 January 2024. This Contract shall remain valid for an estimated period of 20 months.

29 FEBRUARY 2024

AWARD OF PROVISION OF LEASE OF WATER INJECTION FACILITY FOR SF30 WATERFLOOD PHASE 2 FOR SEA HIBISCUS SDN BHD

Uzma Engineering Sdn Bhd secured a 5-year contract for the supply of a self-elevated floater with a water injection module and a bridge from SEA Hibiscus Sdn Bhd on 26 February 2024.

6 MARCH 2024

MEMORANDUM OF UNDERSTANDING TO COLLABORATE IN PROVIDING OIL & GAS AND GEOTHERMAL DRILLING SERVICES AND OTHER SUPPORTING SERVICES

Pursuant to the Memorandum of Understanding entered into between Uzma Engineering Sdn Bhd ("UESB") and PT. Pertamina Drilling Services ("Pertamina Drilling") on 5 January 2024, the parties had on 27 February 2024 entered into a Marketing Partnership Agreement, wherein Pertamina Drilling appoints UESB to promote its oil and gas drilling services and associated drilling products within Malaysia for a period of 1 year.

19 MARCH 2024

AWARD OF CONTRACT EXTENSION FROM MEDCO ENERGI THAILAND (BUALANG) LIMITED FOR THE PROVISION OF HYDRAULIC WORKOVER UNIT (HWU) SERVICES (CALL-OUT) FOR BUALANG

MMSVS Group Holding Co. Ltd accepted a contract extension dated 18 March 2024 from Medco Energi Thailand (Bualang) Limited for the provision of HWU and associated equipment services required for workover and well services activities at offshore Thailand for a period of 2 years from 20 March 2024.

3 MAY 2024

AWARD FOR THE PROVISION OF INTEGRATED PRODUCTION AND INTEGRITY CHEMICAL AND ASSOCIATED SERVICES FOR SARAWAK SHELL BERHAD & SABAH SHELL PETROLEUM COMPANY LIMITED (SHALLOW WATER APPLICATION)

Malaysian Energy Chemical & Services Sdn. Bhd. has been awarded a 5-year contract by Sarawak Shell Berhad ("SSB") and Sabah Shell Petroleum Company Limited ("SSPC") for the provision of integrated production and integrity chemical and associated services for SSB and SSPC (Shallow Water Application) pursuant to a letter of award dated 15 April 2024.

13 MAY 2024

AWARD OF CONTRACT FROM PTTEP INTERNATIONAL LIMITED FOR THE PROVISION OF STANDARD AND SPECIAL APPLICATION OF COILED TUBING AND PUMPING SERVICES FOR ZAWTIKA OPERATIONS (BACKUP CONTRACT)

MMSVS Group Holding Co. Ltd has secured a contract award from PTTEP International Limited on 16 April 2024 for the provision of Standard and Special Application of Coiled Tubing and Pumping Services for Zawtika Operation (Backup Contract) for a period of 2 years, with an estimated contract value of USD9,271,320.00 (RM43,900,000.00).

14 MAY 2024

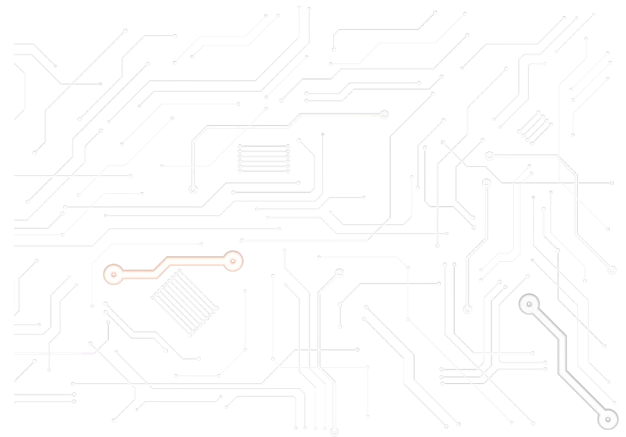
AWARD OF CONTRACT FOR THE PROVISION OF ELECTRIC WIRELINE LOGGING (EWL) EQUIPMENT AND SERVICES NON-RIG ASSISTED (NRA) FOR EXXONMOBIL EXPLORATION AND PRODUCTION MALAYSIA INC ("EMEPMI") ("CONTRACT")

Uzma Engineering Sdn Bhd has accepted a letter of award dated 24 April 2024 from EMEPMI for the provision of Non-Rig Assisted (NRA) Electric Wireline Logging (EWL) equipment and services in West Malaysian waters including technical consultancy and provision of electric-line unit, logging services, tractoring, perforation interchangeable between different conveyances e.g. E-Line, Tractor etc., plug/packer setting services, downhole auxiliary tools, and other services for all type of wells. The Contract is for a period of 3 years from 3 May 2024 until 2 May 2027.

28 JUNE 2024

EXPRESSION OF INTEREST TO COLLABORATE IN SPACE SATELLITE SOLUTIONS

Uzma Berhad had on 28 June 2024 entered into an Expression of Interest ("EOI") with ReOrbit Oy, a pioneering space technology firm from Finland to explore and develop collaborative efforts in space satellite solutions. The EOI is valid for a period of 180 days or any extended date agreed by both parties.



FINANCIAL CALENDAR

25 AUGUST 2023

Announcement on quarterly report on consolidated results for the financial period ended 30 June 2023 (Q4 FY2023)

22 NOVEMBER 2023

Announcement on the quarterly report on consolidated results for the financial period ended 30 September 2023 (Q1 FY2024)

30 NOVEMBER 2023

16th Annual General Meeting & Extraordinary General Meeting

12 JUNE 2024

Extraordinary General Meeting

24 MAY 2024

Announcement on the quarterly report on consolidated results for the financial period ended 31 March 2024 (Q3 FY2024)

20 FEBRUARY 2024

Announcement on the quarterly report on consolidated results for the financial period ended 31 December 2023 (Q2 FY2024)

CORPORATE INFORMATION

BOARD OF DIRECTORS

- DATUK ABDULLAH BIN KARIM
Independent Non-Executive Chairman
- DATO' KAMARUL REDZUAN BIN MUHAMED
Managing Director / Group Chief Executive Officer
- DATIN ROZITA BINTI MAT SHAH @ HASSAN
Executive Director
- DATO' CHE NAZAHATUHSAMUDIN BIN CHE HARON
Executive Director
- DATUK SERI DR. ZURAINAH BINTI MUSA
Independent Non-Executive Director
- IKHLAS BIN ABDUL RAHMAN
Independent Non-Executive Director
- Y.M. TENGKU EZUAN ISMARA BIN TENGKU NUN AHMAD
Independent Non-Executive Director
- DATUK FARISHA BINTI PAWAN TEH
Independent Non-Executive Director
- MAZLI ZAKUAN BIN MOHD NOOR
Independent Non-Executive Director
- DATO' NASRI BIN NASRUN
Non-Independent Non-Executive Director

AUDIT COMMITTEE

- Y.M. TENGKU EZUAN ISMARA BIN TENGKU NUN AHMAD - *Chairman*
Independent Non-Executive Director
- IKHLAS BIN ABDUL RAHMAN - *Member*
Independent Non-Executive Director
- MAZLI ZAKUAN BIN MOHD NOOR - *Member*
Independent Non-Executive Director
- DATO' NASRI BIN NASRUN - *Member*
Non-Independent Non-Executive Director

NOMINATION AND REMUNERATION COMMITTEE

- DATUK SERI DR. ZURAINAH BINTI MUSA - *Chairperson*
Independent Non-Executive Director
- Y.M. TENGKU EZUAN ISMARA BIN TENGKU NUN AHMAD - *Member*
Independent Non-Executive Director
- DATUK FARISHA BINTI PAWAN TEH - *Member*
Independent Non-Executive Director

SUSTAINABILITY AND RISK MANAGEMENT COMMITTEE

- IKHLAS BIN ABDUL RAHMAN - *Chairman*
Independent Non-Executive Director
- MAZLI ZAKUAN BIN MOHD NOOR - *Member*
Independent Non-Executive Director
- DATUK FARISHA BINTI PAWAN TEH - *Member*
Independent Non-Executive Director

EMPLOYEES' SHARE SCHEME COMMITTEE

- DATUK SERI DR. ZURAINAH BINTI MUSA - *Chairperson*
Independent Non-Executive Director
- Y.M. TENGKU EZUAN ISMARA BIN TENGKU NUN AHMAD - *Member*
Independent Non-Executive Director
- DATUK FARISHA BINTI PAWAN TEH - *Member*
Independent Non-Executive Director
- DATO' KAMARUL REDZUAN BIN MUHAMED - *Member*
Managing Director / Group Chief Executive Officer

COMPANY SECRETARIES

- KHOO MING SIANG
SSM PC No. 202208000150
(MA/CSA 7034037)
- CHIN WAI LENG
SSM PC No. 201908000658
(LS009738)

REGISTERED OFFICE

Unit 521, 5th Floor, Lobby 6,
Block A, Damansara Intan,
No. 1, Jalan SS20/27,
47400 Petaling Jaya,
Selangor Darul Ehsan, Malaysia

Tel. No. : +603 7732 0792
Email : cosec@aquilla.com.my

AUDITORS

AL JAFREE SALIHIN KUZAIMI PLT
201506002872 (LLP0006652-LCA) & AF 1522
No.555, Jalan Samudra Utara 1,
Taman Samudra,
68100 Batu Caves,
Selangor Darul Ehsan, Malaysia
Tel. No. : +603 6185 9970
Fax No. : +603 6184 2524

STOCK EXCHANGE LISTING

MAIN MARKET
BURSA MALAYSIA SECURITIES BERHAD

Listed Since: 29 July 2008
Stock Name: UZMA
Stock Code: 7250
Sector: Energy

PRINCIPAL BANKERS

- **ALLIANCE BANK MALAYSIA BERHAD**
[198201008390 (88103-W)]
- **MAYBANK ISLAMIC BERHAD**
[200701029411 (787435-M)]
- **AMBANK (M) BERHAD**
[196901000166 (8515-D)]
- **AMBANK ISLAMIC BERHAD**
[199401009897 (295576-U)]
- **RHB ISLAMIC BANK BERHAD**
[200501003283 (680329-V)]
- **HSBC AMANAH MALAYSIA BERHAD**
[200801006421 (807705-X)]
- **AFFIN ISLAMIC BANK BERHAD**
[200501027372 (709506-V)]
- **EXPORT-IMPORT BANK OF MALAYSIA BERHAD**
[199501027992 (357198-K)]
- **KENANGA INVESTMENT BANK BERHAD**
[197301002193 (15678-H)]

SHARE REGISTRAR

BOARDROOM SHARE REGISTRARS SDN. BHD.

Registration No. 199601006647 (378993-D)
11th Floor, Menara Symphony,
No. 5, Jalan Prof. Khoo Kay Kim, Seksyen 13,
46200 Petaling Jaya,
Selangor Darul Ehsan, Malaysia

Tel. No. : +603 7890 4700
Fax No. : +603 7890 4670

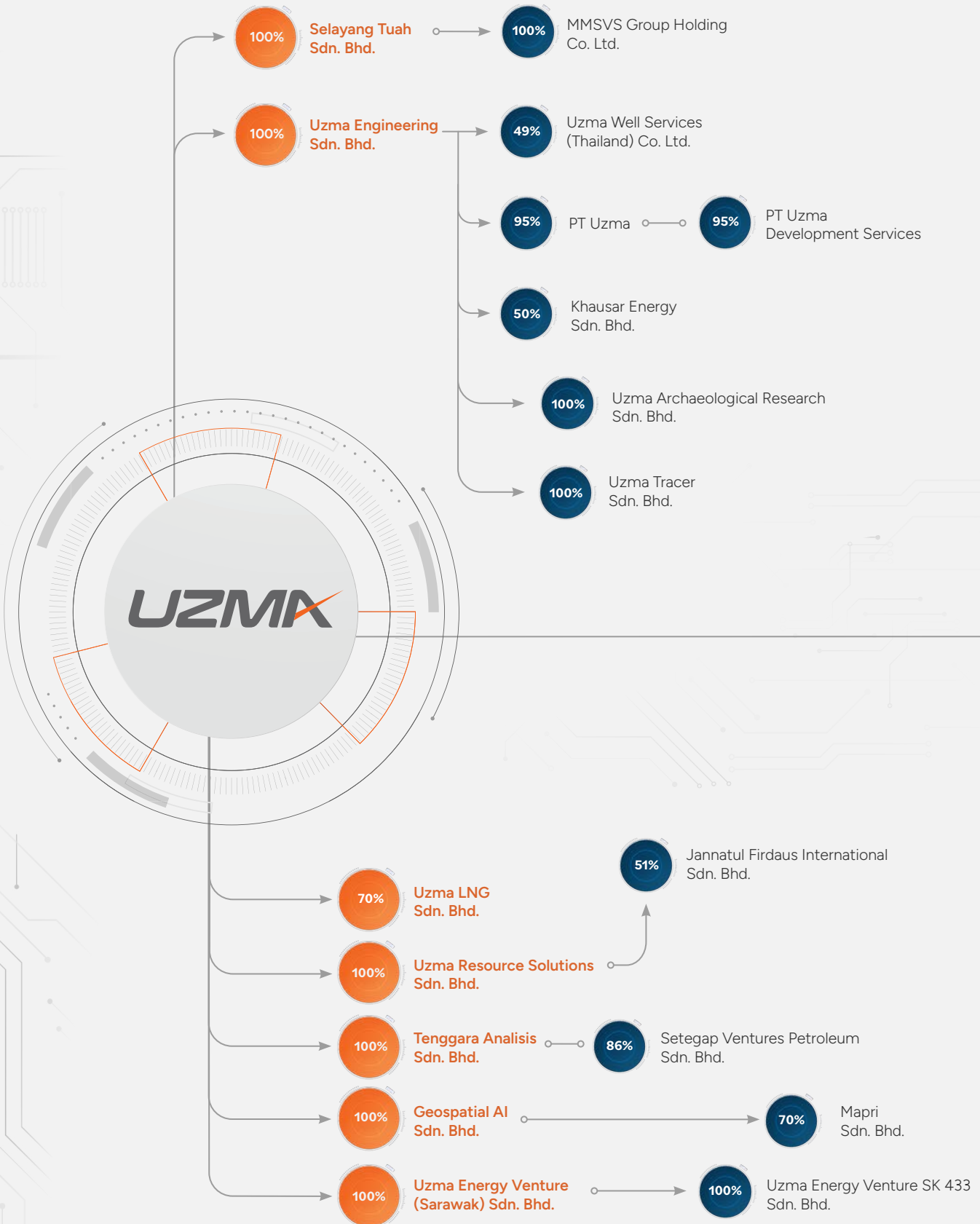
CORPORATE OFFICE

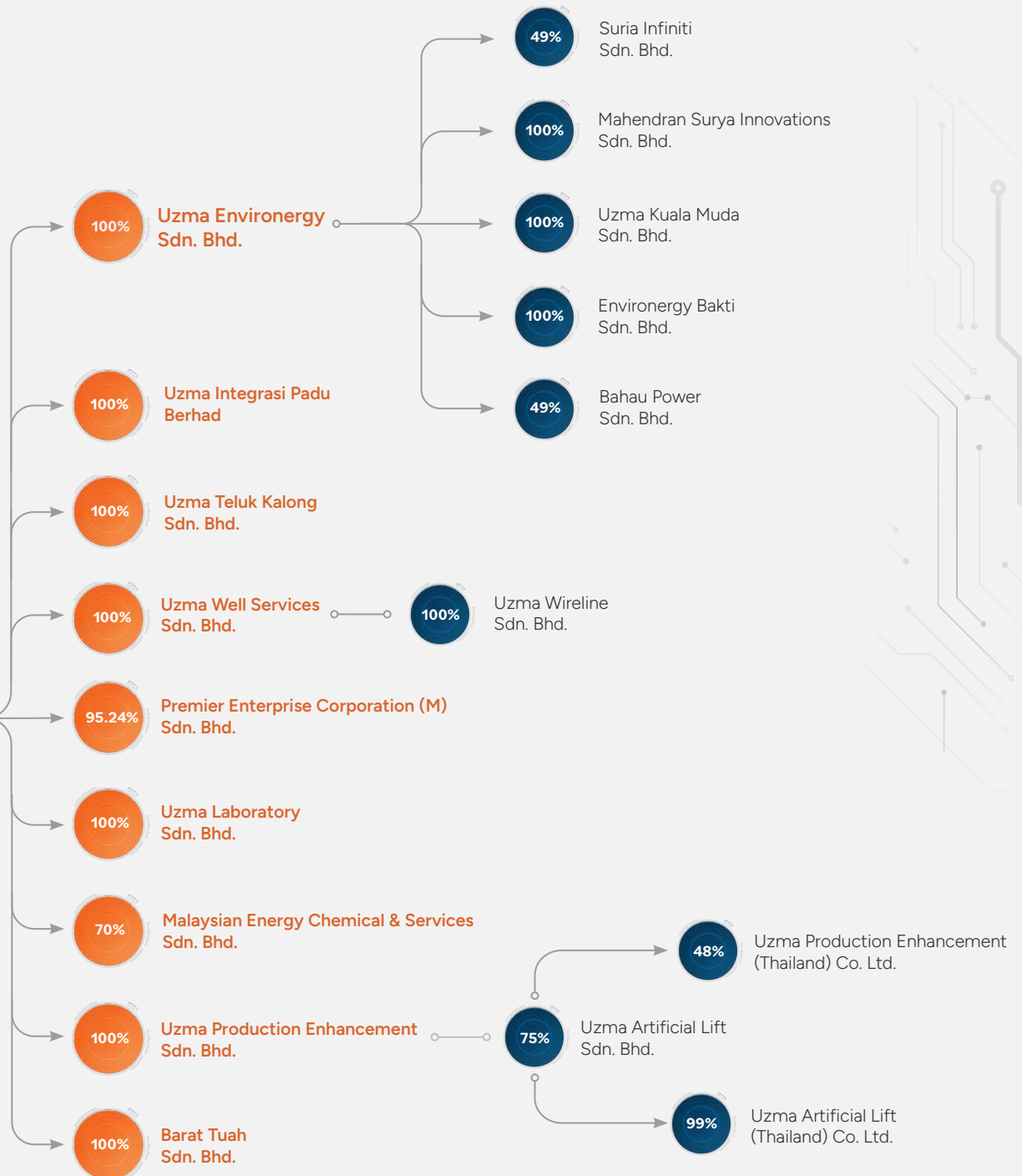
UZMA BERHAD

Uzma Tower,
No. 2, Jalan PJU 8/8A,
Damansara Perdana,
47820 Petaling Jaya,
Selangor Darul Ehsan, Malaysia

Tel. No. : +603 7611 4000
Fax No. : +603 7611 4100
Email : communications@uzmagroup.com
Website : www.uzmagroup.com

CORPORATE STRUCTURE



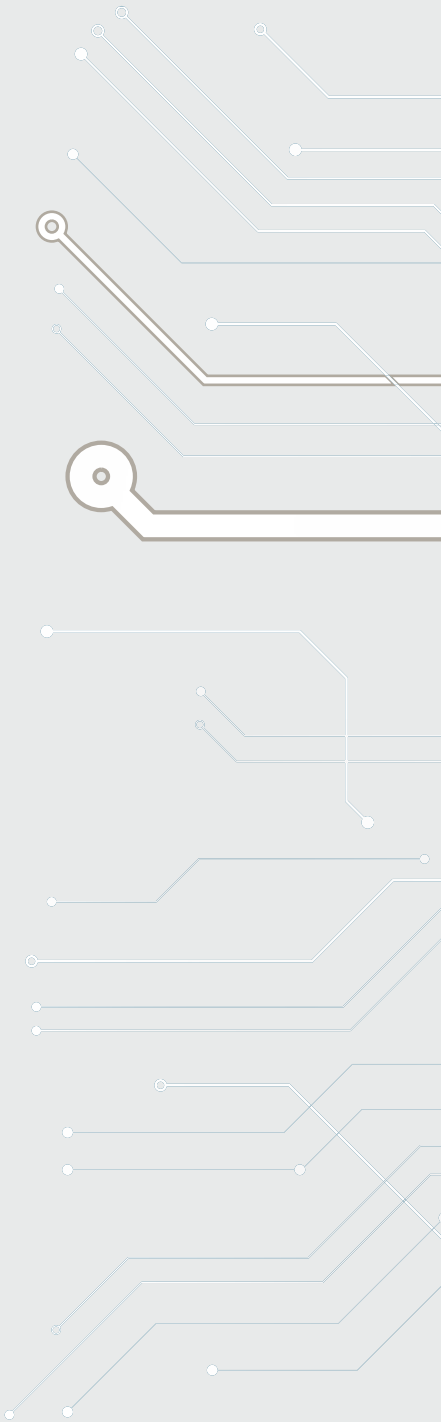


SECTION

02

**OUR STRATEGY
AND PERFORMANCE
REVIEW**

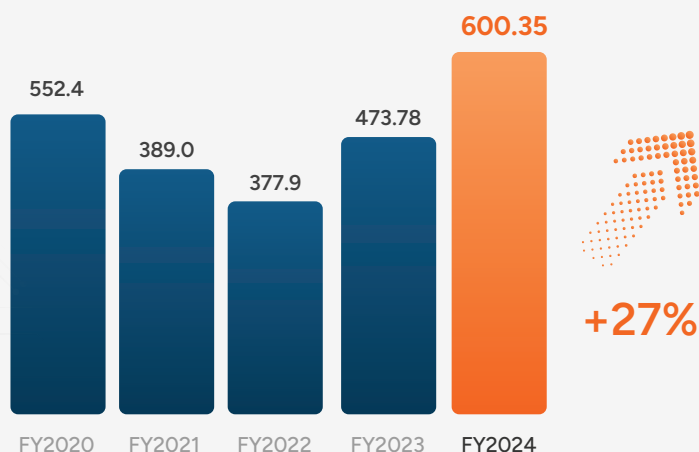
5-Year Financial Highlights	36
Chairman’s Foreword	38
Group CEO’s Review on Operations	42
Management Discussion & Analysis	46
Our Strategy	58



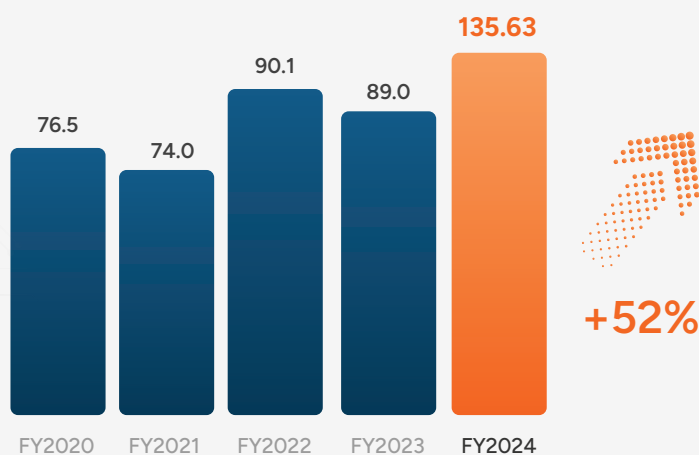


5-YEAR FINANCIAL HIGHLIGHTS

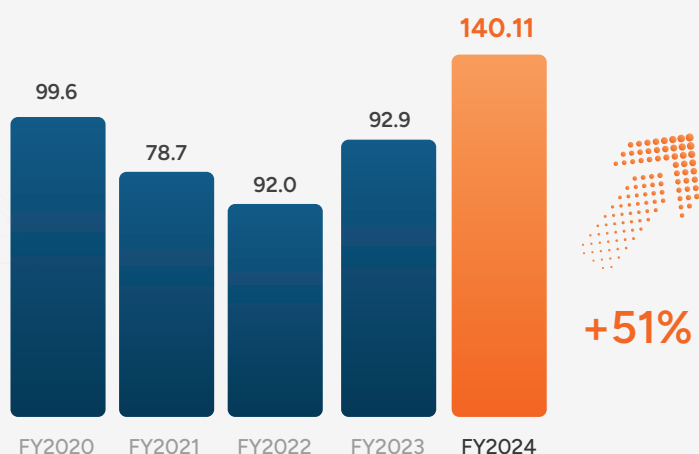
REVENUE (RM MILLION)



EBITDA (RM MILLION)

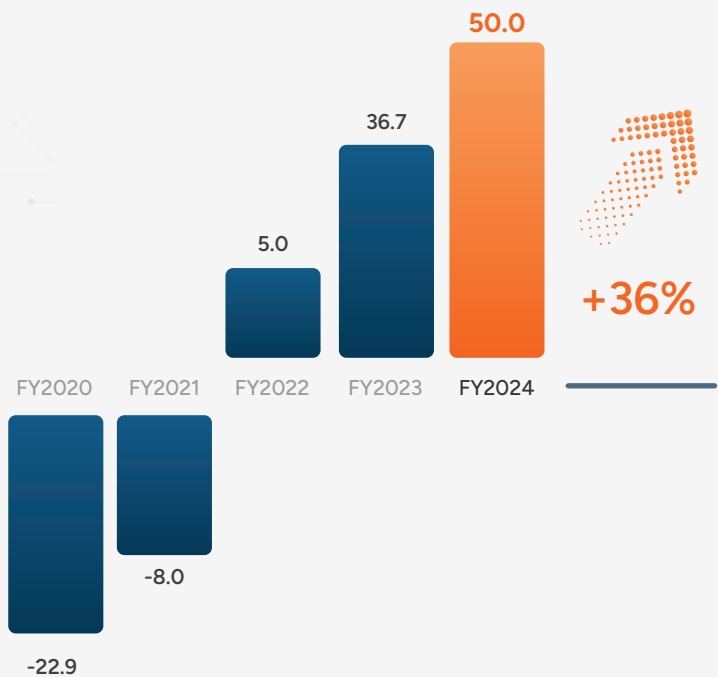


ADJUSTED EBITDA (RM MILLION)

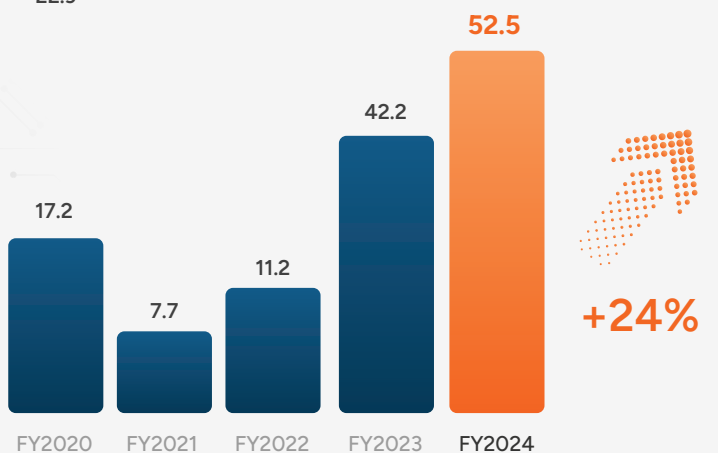


*Adjusted EBITDA is after adding back impairment loss provision.

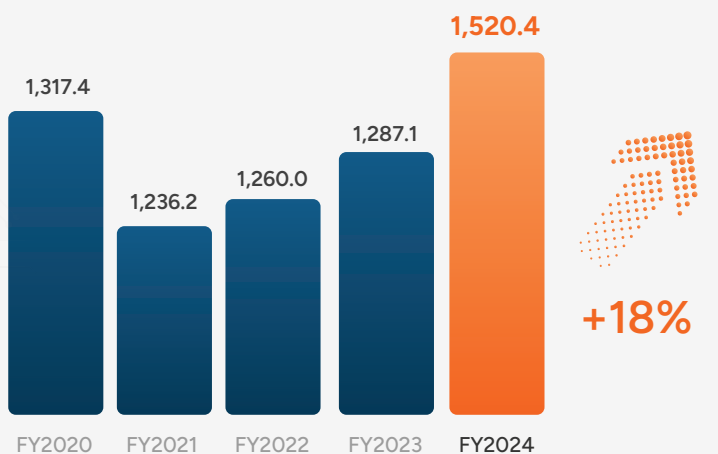
NET EARNINGS TO OWNERS (RM MILLION)



ADJUSTED NET EARNINGS (RM MILLION)



TOTAL ASSETS (RM MILLION)



CHAIRMAN'S FOREWORD

Dear Stakeholders,

On behalf of the Board of Directors ("**Board**"), it is my pleasure to present Uzma Berhad's ("**Uzma**" or "**the Group**") Annual Report and Audited Financial Statement for the financial year ended 30 June 2024 ("**FY2024**").

Amidst the ongoing economic uncertainties and a challenging global landscape, Uzma has successfully navigated the complexities of the oil and gas ("O&G") sector. Despite the volatility that marked the industry, we focused on strengthening our internal capabilities, optimising our core operations, and expanding our presence in key growth areas as we work to meet the increasing energy demands while transitioning towards sustainable energy solutions. By focusing on our core strengths and strategic objectives, we remain committed to delivering substantial value to our stakeholders through careful expansion and innovation within our established framework.

NAVIGATING A COMPLEX ENERGY LANDSCAPE

The global energy industry is experiencing structural shifts, driven by geopolitical uncertainties, fluctuating economic conditions, and evolving regulations that continue to reshape the market landscape. As we entered FY2024, the outlook remains one of cautious optimism, with market growth expected to stabilize towards the end of the decade.

Emerging markets, particularly in Asia, are poised to grow demand, while advanced economies will see a sharp decline. This evolving industry paradigm inherently presents both challenges and opportunities for Uzma, and we remain steadfast in seizing opportunities for growth and diversification.

Our emphasis on integrated services, including well services and production solutions, has been crucial in addressing the evolving needs of our clients. While the O&G sector remains the cornerstone of our operations, we are equally focused on enhancing our resilience through diversification into non-O&G ventures, such as New Energy, Energy Trading and Digital Earth, ensuring that we remain agile and competitive in a rapidly changing market.

BUILDING RESILIENCE THROUGH DIVERSIFICATION

Our strategic focus on diversification is a critical part of our risk management and growth strategy. Recognising the need to reduce dependence on traditional O&G markets, we have made substantial progress in expanding our presence in key regional markets, including Thailand, Indonesia, and the Philippines. These markets present growth opportunities while also helping mitigate the risks associated with the volatility of more established markets.

Simultaneously, our focus on building recurring revenue streams has enhanced our financial stability, allowing us to weather market fluctuations. By optimising our portfolio and maintaining stringent capital discipline, we have laid a strong foundation for continued growth across our two core business sectors – O&G and non-O&G.

IMPROVED FINANCIAL PERFORMANCE

REVENUE FY2024

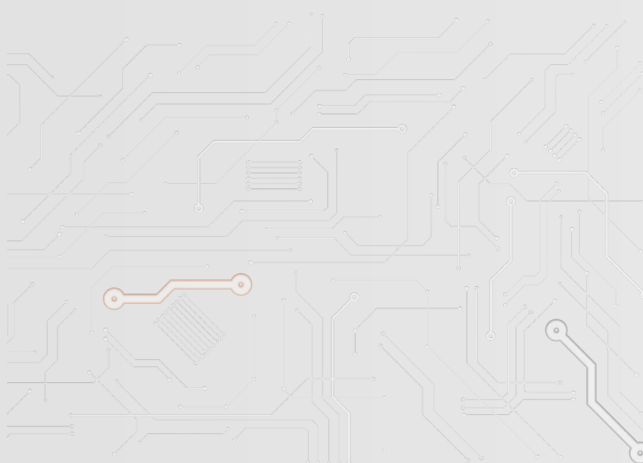


RM600.35
MILLION

(FY2023 : RM473.8 million)

In FY2024, Uzma demonstrated improved financial growth, with revenue rising to RM600.72 million, up from RM473.8 million in FY 2023. This increase was driven by the O&G sector, particularly due to heightened upstream activities across multiple divisions.

Our performance is not merely a reflection of numbers, but a testament to our strategic foresight, operational excellence, and adaptability. As we move forward, we remain dedicated to sustaining this growth trajectory while continuing to explore innovative solutions and partnerships that will further enhance our position in the energy market.





WITH A ROBUST
STRATEGY IN
PLACE AND A
STEADFAST
DEDICATION TO
EXCELLENCE,
**UZMA IS POISED
FOR A PROMISING
FUTURE.**

Datuk Abdullah Bin Karim
Independent Non-Executive Chairman



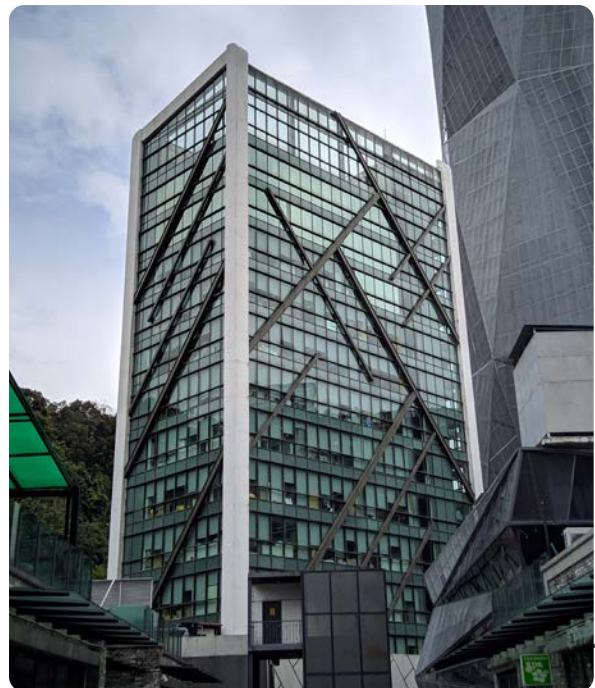
SAFEGUARDING OUR PEOPLE

At Uzman, our people's well-being, safety, and development remain a top priority. As we navigate a rapidly evolving industry, we recognise that our most valuable asset is our workforce. We have continued to strengthen our safety culture by adhering to stringent health and safety standards across all operations, supported by continuous training and upskilling initiatives. Our commitment to maintaining a zero-incident workplace has been reinforced through proactive risk management and technology adoption, making safety an integral part of our operational excellence. As we progress, we will remain focused on creating a resilient and empowered workforce that can contribute to Uzman's growth and long-term success.

COMMITMENT TO SUSTAINABILITY AND UPHOLDING GOVERNANCE

Sustainability is a fundamental element of our long-term strategy. We persist in incorporating Environmental, Social, and Governance ("ESG") factors into all areas of our operations. Our objective extends beyond mere regulatory compliance; we aim to be at the forefront of sustainable practices within our industries.

In FY2025, we plan to expand our reporting framework to include two additional common sustainability indicators: Waste Management and Emissions Management. These initiatives underscore our recognition of the growing importance of environmental stewardship in driving long-term business value.



POSITIONED FOR THE FUTURE



Innovative Energy for Brighter Future

In FY2024, Uzma achieved significant operational milestones and demonstrated resilience in tackling challenges. As we advance, our strategic focus on agility, targeted growth, and innovation will enable us to navigate the evolving complexities of the energy sector. Our strategic vision is clear: to build a diversified, sustainable, and resilient business that continues to deliver value to our shareholders while addressing the evolving needs of our clients in a rapidly changing world. Uzma is well-positioned to capitalise on emerging opportunities and drive long-term success.

In the O&G segment, Uzma Group remains optimistic about its future, having secured major contracts from PETRONAS, PTTEP, Shell and other oil majors, which underscore its industry capabilities. The Production Solutions division is poised for growth, particularly with the WIF contract ensuring steady domestic income and potential expansions into Indonesia and the Middle East.

In the non-O&G segment, Uzma is intensifying efforts to drive revenue beyond our traditional O&G-focused operations, leveraging the emerging potential of renewable energy, digitalisation, and satellite technologies. In the renewable energy space, we have aligned our efforts with Malaysia's push for green energy, with plans to participate in the Corporate Renewable Energy Supply Scheme ("CRESS"). We are also exploring technology to expand our capabilities in battery energy storage systems ("BESS"), through strategic partnerships with leading institutions that will further drive innovation in this sector. Meanwhile, our Digital Earth division is also expected to drive growth through geospatial applications, particularly with the anticipated launch of UzmaSAT-1, while our Energy Trading division has the potential to grow steadily, driven by demand for petrochemical products and expansion into the natural gas supply sector through the Third-Party Access ("TPA") framework. This strategic move aims to enhance the efficiency and sustainability of Malaysia's energy market.

ACKNOWLEDGEMENTS

I extend my heartfelt gratitude to our shareholders for your trust and unwavering support. I also thank our dedicated employees, management team, board members, customers, suppliers, partners, regulators, government authorities, financial institutions, and all stakeholders. Your collaboration and commitment have been integral to Uzma's journey.

As we move forward, I assure you that Uzma is powering ahead, ready to seize new opportunities and overcome challenges with the same resolve and innovative spirit that has defined our success.

DATUK ABDULLAH BIN KARIM
Independent Non-Executive Chairman

GROUP CEO'S REVIEW ON OPERATIONS

Dear Stakeholders,

I am pleased to present to you Uzma's Annual Report for the financial year ended 30 June 2024 ("FY2024").

This year stands as a testament to our unwavering commitment to excellence and resilience. We are pleased to announce that Uzma has achieved our highest-ever revenue, totalling RM600.7 million. This remarkable achievement represents a 26.8% increase compared to our previous financial year, reflecting our operational efficiency, execution of key projects, and the dedication of our workforce.

In a landscape marked by challenges stemming from economic fluctuations and evolving energy dynamics, we are delighted to report that Uzma has met or exceeded milestones across our Oil & Gas ("O&G") and non-Oil & Gas ("non-O&G") business segments.

Significant achievements in FY2024 included the 50MWac LSS4 Solar Project approaching its Commercial Operation Date ("COD") and our involvement in the Corporate Green Power Programme ("CGPP"). In addition, Uzma's Energy Trading division, led by our startup Uzma LNG Sdn Bhd ("Uzma LNG"), emerged as the leading domestic LNG distributor through the Virtual Pipeline System ("VPS"). Concurrently, our Digital Earth division advanced with the upcoming launch of UzmaSAT-1, representing a notable development in our digital effort.

As we continue to face shifts in the energy sector, our unwavering commitment to operational excellence, innovation, and sustainability remains the driving force behind our success. In moving forward, Uzma is well-positioned to capitalise on emerging opportunities and continue delivering value to our shareholders.

OPPORTUNITIES WITHIN AN EVOLVING LANDSCAPE

In today's rapidly transforming global energy landscape, increasing energy demand, economic growth, and sustainability commitments continue to spur the reassessment and recalibration of energy policies worldwide. The intertwining factors of geopolitical uncertainty and energy security bring the urgency of these changes into sharper focus. As we delve into this dynamic environment, we are aware of the opportunities it presents for our organisation to not just adapt, but thrive.

The energy "trilemma" involving energy security, supply diversification, and low-carbon alternatives creates a roadmap filled with potential, particularly within the renewable energy sector and its integrated technologies. We are acutely aware of this trajectory and are well-positioned to capitalise on the emerging opportunities.

In Malaysia, the landscape reflects these global trends, embodying a blend of opportunities and challenges. Our economy showcases resilience, evidenced by a steady recovery in both industrial activity and domestic demand. Although the O&G sector faces challenges—stemming from cost-cutting measures and heightened competition—there has been a notable resurgence in exploration and production, especially in the offshore segment.

The Malaysian government's National Energy Transition Roadmap ("NETR") highlights its commitment to energy security and sustainability. This strategic focus has spurred investment in new technologies and energy efficiency measures that we can leverage as we navigate through this complex operating environment. Identifying these openings is key; we are keenly aware of our innovations and our status as a cost leader, and we intend to utilise these advantages to enhance our margins and profitability further.

As we navigate the evolving energy landscape, we recognize the intrinsic value of aligning our strategies with global sentiment and market demands. By embracing the opportunities that arise from this shifting paradigm, Uzma is not just preparing for the future—we are actively shaping it. Together, we stand ready to accelerate our growth trajectory, ensuring that we remain a formidable player in the global energy sector while honourably fulfilling our responsibilities to sustainability and community.





**THE COMING YEARS
PROMISE TO BE
TRANSFORMATIVE
FOR THE GROUP AS
WE EXPAND OUR
CAPABILITIES, ENTER
NEW MARKETS AND
CONTRIBUTE TO A
MORE SUSTAINABLE
AND PROSPEROUS
FUTURE.**



Dato' Kamarul Redzuan Bin Muhamed
Managing Director / Group Chief Executive Officer

HIGHLIGHTS OF FY2024

Our financial results for FY2024 highlight our dedication to strategic initiatives and robust execution throughout all business sectors. We are pleased to announce that we have achieved a record revenue of RM600.7 million, an impressive 26.8% increase from RM473.8 million in FY2023. Furthermore, a 40.2% growth in profit before tax, reaching RM61.6 million, emphasize the substantial improvements in both profitability and financial stability.

As of 30 June 2024, Uzma commands an order book valued at approximately RM2.95 billion, driven by the collective strength of our core business divisions: Well Solutions, Production Solutions, New Energy, Energy Trading, and Digital Earth. Both Well Solutions and Production Solutions business divisions are established contributors in the region's upstream O&G industry, while the other three business divisions: New Energy, Energy Trading and Digital Earth, are part of our diversification strategy into high-growth industries.

In the upstream O&G sector, we aim to grow our regional presence, with projects outside Malaysia now making up 8% of our order book. We secured key contracts, including a five-year deal with Shell Malaysia Exploration and Production ("SMEP") and a contract with Hibiscus Malaysia Limited for production and water injection chemicals from 2024 to 2028. These agreements have established Uzma as a leader in Malaysia's Offshore Production Chemicals segment. Additionally, we successfully bid for the second Water Injection Facility at the Sea Hibiscus field, strengthening our market position.



FY2024 saw notable portfolio changes as our three new divisions (New Energy, Energy Trading and Digital Earth) grew out of the "incubator" phase into the "scaling up" phase of generating revenue for the Group.

In the New Energy division, the 50MWac LSS4 Solar Project in Bukit Selambau is set to achieve its COD by the third quarter of 2024.

Our involvement in the CGPP, secured in August 2023, is currently at the Planning Permission stage, with construction expected to commence in Q4 2024. The project is anticipated to achieve COD by December 2025, further expanding our footprint in the renewable energy landscape.

In the non-O&G segment, the Energy Trading division contributed positively towards our revenue in FY2024, leveraging the rapid growth of our startup, Uzma LNG. Since its inception, Uzma LNG has become the top domestic LNG distributor via the VPS in Malaysia and contributing to our revenue. This success reflects Uzma's ability to adapt to changing market conditions, leveraging our expertise in the energy sector to explore new avenues for growth.

FY2024 was a groundbreaking year for our Digital Earth division, with substantial advancements in geospatial intelligence and satellite technology. We secured a deal with Satellogic Inc. for UzmaSAT-1, Malaysia's first privately owned submeter resolution Earth Observation satellite. This project is set to transform our capabilities in high-resolution satellite data acquisition, positioning Uzma at the forefront of the geospatial technology sector. Our efforts for UzmaSAT-1 were recognised with the "Emerging Technology Award" at the Malaysia Technology Awards (MTEA). We are also collaborating with MIMOS on geospatial advanced satellite imaging for border security control. Our Land Use Change Analysis (LUCA) services continue to gain traction, with nearly 100,000 hectares across multiple countries reviewed since June 2022.

EMPOWERING INDUSTRY LEADERS OF TOMORROW

Our achievements as an organisation thus far reflect the immense talent, skills, and dedication of our people. Their empowerment drives the organisation, and it is only fitting that we prioritise their career development and job satisfaction through programmes that challenge, encourage and motivate them. Our talent development strategy is designed to equip our employees with the skills, knowledge, and experience needed to thrive in an evolving energy landscape.

The rapid growth of our business segments, particularly in technology and renewable energy, requires a skilled and agile workforce. The competition for talent in these sectors is intensive, and Uzma recognizes the importance of attracting and retaining top talent. Our comprehensive talent development programmes, along with our commitment to creating a positive work environment, will ensure that we have the right people to drive our growth.

In FY2024, 35 of our people were selected to be part of a group-wide Talent Management initiative under the newly launched UzmaHiP programme. This initiative was designed to identify and nurture high-potential employees who demonstrate the capabilities and ambition to take on leadership roles within the company. Each participant was assigned a mentor to nurture their talents and capabilities, developing them into industry thought leaders and innovators that drive Uzma forward.

Through our comprehensive talent development strategy, we are building a future-ready workforce that is capable of meeting the challenges of tomorrow and driving the next phase of our company's growth.



A SOLID FOUNDATION FOR FUTURE GROWTH

In 2020, Uzma embarked on a reformulated uzma5R plan (2020 – 2024) with the aim of transitioning our operations into a new and dynamic energy landscape. This strategic approach is built on five key focus areas designed to address different aspects of the company's operations and future directions. Our initiatives under uzma5R are guided by two strategic themes of elevating O&G resilience and agility and accelerating non-O&G ventures.

As we approach the end of the five-year roadmap, the uzma5R strategy has been instrumental in positioning Uzma as a forward-looking and diversified energy company. To advance our interests in the non-O&G segment, we invested in the New Energy area and deepened our involvement in Energy Trading and Digital Earth. This repositioning ensures that the Group remains relevant and competitive in the evolving energy landscape, and is able to better mitigate the risks associated with a volatile oil and gas market.

We undertook organisational restructuring to streamline our operations, improve decision-making processes, and enhance cost efficiency. This included a focus on sustainability, with efforts to reduce our carbon footprint and integrate environmentally friendly practices into our operations.

In implementing uzma5R, we were able to build a resilient business model capable of withstanding market fluctuations and external shocks, which involved maintaining a strong orderbook, prudent financial management, and focusing on long-term sustainability initiatives.

As we look ahead, Uzma remains committed to driving growth through strategic diversification, operational excellence, and innovation. Through the uzma5R strategy, we have laid the groundwork for navigating the complexities of the global energy landscape and capitalising on emerging opportunities. The prospects for the Group are promising, with plans across our five business divisions aimed at enhancing our market presence and delivering sustained value to our stakeholders.

This is a pivotal moment in our journey. The demand for O&G remains robust, particularly in the vibrant markets of Southeast Asia. We will continue to secure new contracts and expand our market share by honing our focus on operational efficiency and embracing technological innovation, to enhance our competitive edge in the O&G sector.

In tandem with our O&G initiatives, we also recognise the growing potential within the renewable energy sector. Malaysia has set ambitious targets under the NETR, and Uzma is poised to play a vital role in this transformation. Our track record not only bolsters our credibility in renewable energy but will also position us as a key player in a rapidly evolving market, providing a potential to diversify our revenue streams while making significant strides towards our long-term sustainability objectives.

One of the exciting growth avenues we are focusing on is our Digital Earth division, which harnesses the power of geospatial intelligence and satellite technology. As industries increasingly seek high-resolution satellite data and advanced geospatial analysis, we anticipate a surge in demand for our services. This developing sector is not just a supplementary offering for Uzma; it represents an important opportunity for us to establish leadership in an emerging market that promises to be increasingly significant, especially with the Malaysian government driving growth and innovation in the space industry through its Malaysia Space Exploration 2030 (MSE2030) Action Plan.

Additionally, we intend to explore new opportunities in our Energy Trading division by looking to enter new markets and diversifying our product offerings. We are laying the groundwork for a resilient trading operation that can adapt to the dynamic landscape of the energy industry.

Reflecting on the year gone by, it has indeed marked a transformation for Uzma. Our strategic vision, solid foundation, and a dedicated team have been instrumental in our achievements. As we forecast the coming years, we embrace the potential for transformation and growth. We are confident that with our continued investment in capabilities, market expansion, and our commitment to sustainability, Uzma is well-positioned to thrive and fulfil our promise to power the transition into a new economy. By championing innovation and sustainability, we believe Uzma will not only emerge stronger but also contribute positively to the energy sector's evolution, leading the charge towards a more sustainable future.

DATO' KAMARUL REDZUAN BIN MUHAMED

Managing Director / Group Chief Executive Officer



MANAGEMENT DISCUSSION AND ANALYSIS

ACCELERATING TOWARDS A NEW ENERGY FUTURE

The financial year ended 30 June 2024 ("FY2024") was a pivotal year for Uzma, marked by significant strategic advancements supported by a robust operational performance. As we approach the end of our uzma5R strategy, we solidified our position as a leading energy and technology company in Malaysia and the broader Southeast Asian region. Despite continued headwinds posed by economic uncertainties and industry challenges, our diversified portfolio and commitment to innovation enabled us to navigate these complexities effectively.

Being a key energy player, we understand our responsibility in the global move towards cleaner energy. This is vital for ensuring immediate energy supply while balancing energy security, supply diversification, and low-carbon alternatives. Our focus throughout the year was on decarbonisation as the market shifts to renewable energy.

Our strategy includes focusing on growth in New Energy and Energy Trading to adapt smoothly to evolving trends. Consistent with Malaysia's National Energy Transition Roadmap ("NETR"), there is a strong emphasis on using natural gas to replace coal in power plants and boosting its use in industrial sectors. This alignment bolsters our commitment to advancing sustainable energy solutions.

The Malaysian government's commitment to elevating the renewable energy capacity to 70% of the national energy mix by 2050 and the launch of the NETR have created a conducive environment for growth in the renewable energy sector, presenting significant opportunities for the growth of our New Energy division.

Uzma also looked "beyond" Earth – into space with our Digital Earth division. We made great progress in the space industry with our UzmaSAT-1 project, which we will elaborate on further in the Segmental Review of this section.



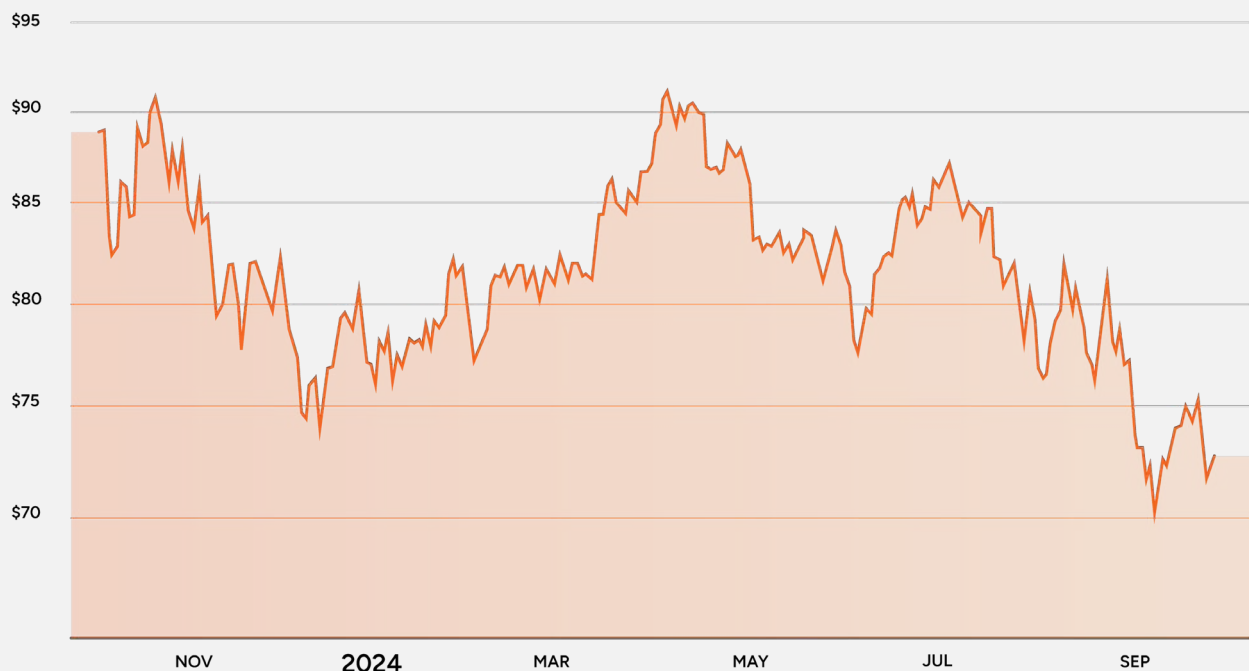
OPERATING ENVIRONMENT

The global energy landscape in FY2024 was marked by significant volatility and transformation, influenced by geopolitical tensions, fluctuating commodity prices, and an accelerated shift toward sustainable energy solutions. The ongoing conflict in Eastern Europe and in the Middle East have underscored the fragility of global energy markets, driving concerns over supply security. Meanwhile, the lingering effects of the COVID-19 pandemic, coupled with inflationary pressures, added a layer of complexity to global recovery efforts, impacting energy demand patterns.

Despite these challenges, the oil and gas sector experienced a resurgence, with robust demand recovery and a cautious optimism in market sentiment driven by an upsurge in activity in the emerging markets. This was supported by strategic production adjustments by major oil-producing nations.

Brent Crude Oil Prices (US Dollar Per Barrel) November 2023 to September 2024

<https://tradingeconomics.com/commodity/brent-crude-oil>



In Malaysia, the operating environment was characterised by a mix of opportunities and challenges. The country's economic recovery gained momentum throughout 2023, growing 3.7%, driven by strong domestic demand and a rebound in industrial activity. For 2024, the International Monetary Fund has revised Malaysia's growth projection to 4.4%, supported by lower inflation and government initiatives to boost economic activity.

However, the energy sector continued to face headwinds from cost-cutting measures by key clients, increased competition, and regulatory shifts aimed at promoting sustainability.

The energy industry is navigating a complex and evolving landscape, where traditional business models are being challenged by the rapid rise of renewable energy, digitalisation, and the need for greater operational efficiency. The government's push for decarbonisation, alongside ongoing digitalisation efforts, is reshaping the operational landscape, compelling industry players to innovate and adapt to new market realities. The shifting landscape has presented a number of opportunities.

FINANCIAL REVIEW

FINANCIAL RESULTS

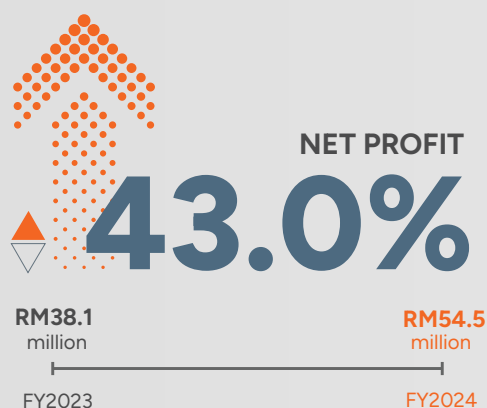
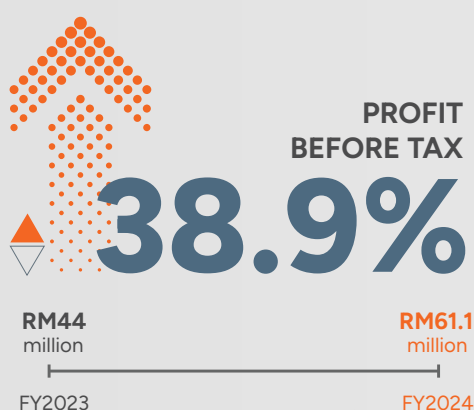
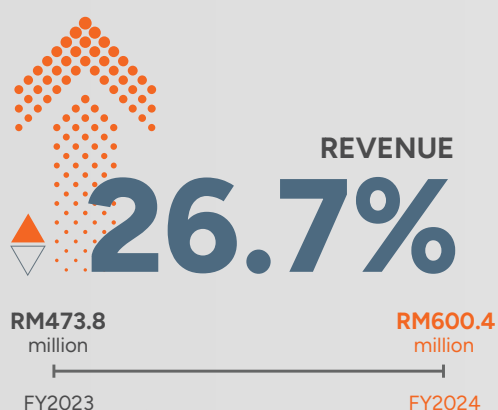
Uzma's financial performance in FY2024 reflected our strategic focus on diversification and operational excellence. Our strong financial performance is attributed to the Group's strategy to refine our cost structure, streamline our operations, and diversify our portfolio in emerging industries for future growth.

Despite the challenges posed by a competitive market and economic uncertainties, we achieved a revenue of RM600.7 million, marking a substantial increase of 26.8% compared to RM473.8 million in FY2023, primarily driven by increased contributions from the Oil & Gas ("O&G") segment, where higher upstream activities across multiple divisions significantly boosted performance.

Notwithstanding the increase in revenue, the Group's gross profit margin decreased slightly by 2% to 39% in FY2024. This decline was mainly due to higher revenue generated from trading activities, which carry a lower profit margin compared to the O&G segment.

Uzma's profit before tax rose to RM61.6 million or 40.2% in FY2024, compared to RM44.0 million in FY2023. Uzma's net profit for FY2024 stood at RM54.2 million, representing a 42.2% increase compared to RM38.1 million in FY2023. The improvement in profitability is a direct result of the increased revenue, effective cost controls, and strategic investments that have started to yield positive returns.

Earnings per share for the year also improved significantly to 11.41 sen, up from 9.53 sen in FY2023, reflecting the company's robust financial health and commitment to delivering value to shareholders.



FINANCIAL POSITION AND LIQUIDITY

As of 30 June 2024, Uzma's financial position remains robust, supported by a strong asset base and effective capital management strategies. The Group's total assets stood at RM1.52 billion, a significant increase from RM1.29 billion at the end of the previous financial year. This growth in assets is largely attributable to the expansion of property, plant, and equipment, reflecting Uzma's ongoing investments in its operational capabilities, particularly in the O&G services and New Energy division.

Equity attributable to the owners of the parent company increased to RM612.2 million, up from RM492.0 million in FY2023. This improvement was driven by retained earnings growth, reflecting the company's solid profitability during the year. The increase in equity was further supported by the successful issuance of new shares, which bolstered the company's capital structure.

At the same time, the Group's debt levels also grew with total borrowings (both short-term and long-term) amounting to RM618.1 million as of 30 June 2024, compared to RM362.6 million in the previous year. The increase in debt is mainly linked to the financing of new projects in the O&G services and New Energy division, as the Group continues to pursue growth opportunities. Consequently, our net debt-to-equity ratio stood at 73.3% for FY2024, reflecting a moderately leveraged position typical of a capital-intensive industry.

Overall, Uzma's financial position and liquidity remains strong, underpinned by a growing asset base, careful capital management, and strategic investments in high-growth areas.



CAPITAL MANAGEMENT

Uzma's capital management is strategically focused on supporting the Group's long-term growth trajectory, particularly in high-potential sectors like renewable energy and digitalisation. The capital raised through both debt and equity is effectively deployed to expand operational capabilities, enter new markets, and drive innovation.

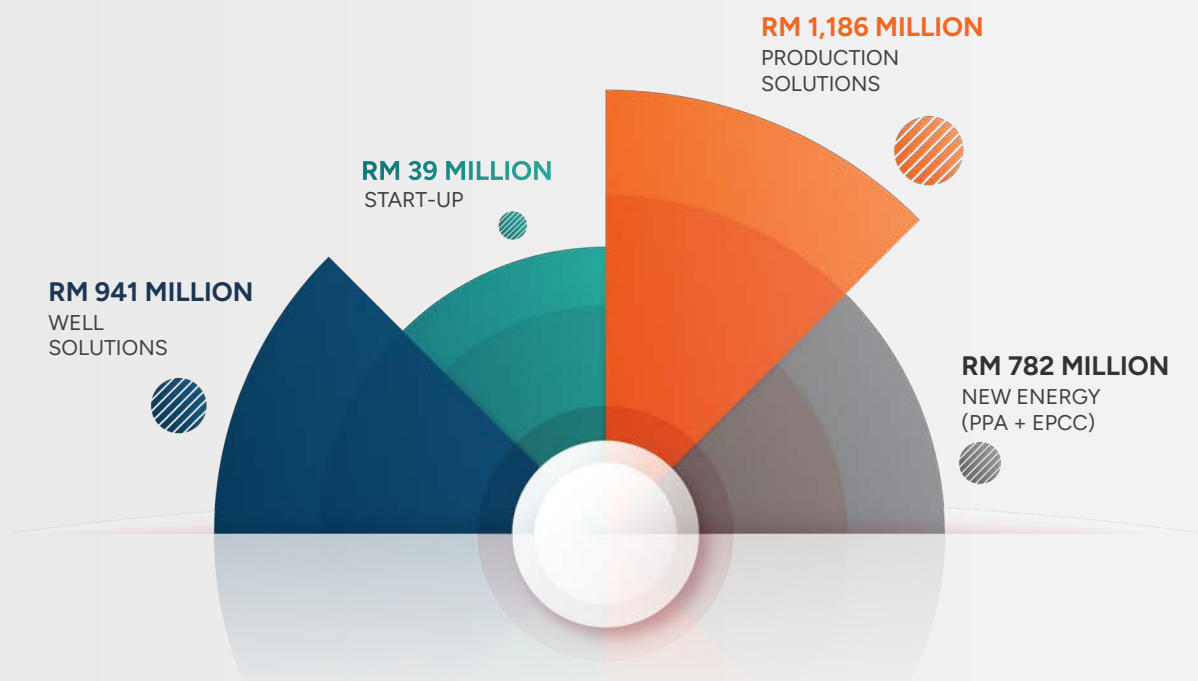
The Group has strategically utilised a mix of term loans, revolving credits, and other financing instruments to fund its capital expenditures and working capital needs. The decision to increase leverage reflects the Group's confidence in its ability to generate sufficient returns from its investments, as evidenced by the significant revenue and profit growth achieved in FY2024.

The Group plans to seek shareholders' approval on the payment of the first and final single tier dividend of RM0.02. The dividend entitlement and payment dates will be announced by the Board of Directors at a later date.

This approach is aligned with our long-term growth objectives and commitment to creating sustainable stakeholders' value.

STRONG POSITIONING

As of 30 June 2024, Uzma's order book stands at approximately RM2.95 billion. This robust orderbook reflects the Group's strong position in the industry and its ability to secure significant contracts, particularly in the O&G sector. The orderbook comprises a diverse range of projects, including ongoing upstream activities, renewable energy projects, and digitalisation initiatives.



SELECTED CONTRACTS AWARDED

For the year under review, Uzma secured several key projects that significantly contributed to its revenue for FY2024:

- **SUPPLY CHEMICALS AND RELATED SERVICES FOR PM3**

Malaysian Energy Chemical & Services Sdn Bhd ("MECAS") was awarded a 5-year contract dated 16 November 2023 by Hibiscus Oil & Gas to supply chemicals and related services for PM3.

- **TERM CONTRACT FOR PORTABLE WATER INJECTION MODULE (PWIM) FOR SEPAT PLATFORM**

Uzma Engineering Sdn Bhd ("UESB") has secured a term contract from Petronas Carigali Sdn Bhd ("PCSB") for the provision of a Portable Water Injection Module (PWIM) for the Sepat Platform. This new contract, which commenced on 12 January 2024, is an extension of the previous agreement that expired on 11 January 2024. The contract is expected to remain valid for approximately 20 months.

- **CONTRACT EXTENSION FOR PROVISION OF HYDRAULIC WORKOVER UNIT ("HWU") SERVICES FOR BUALANG FROM MEDCO ENERGI THAILAND**

On 18 March 2024, MMSVS Group Holding Co. Ltd ("MMSVS") accepted a contract extension from Medco Energi Thailand (Bualang) Limited, to provide HWU and related equipment services required for workover and well-services activities in offshore Thailand for two years, commencing 20 March 2024.

- **PROVISION OF INTEGRATED PRODUCTION AND INTEGRITY CHEMICAL AND ASSOCIATED SERVICES FOR SARAWAK SHELL BERHAD AND SABAH SHELL PETROLEUM COMPANY LIMITED FOR SHALLOW WATER APPLICATION**

MECAS secured a 5-year contract dated 15 April 2024 from Sarawak Shell Berhad and Sabah Shell Petroleum Company Limited for the supply of integrated production and integrity chemicals, along with related services, for their shallow water operations.

- **PROVISION OF STANDARD AND SPECIAL APPLICATION OF COILED TUBING AND PUMPING SERVICES FOR ZAWIKA OPERATIONS FROM PTTEP INTERNATIONAL LIMITED**

MMSVS secured a two-year contract from PTTEP International Limited, awarded on 16 April 2024, for the provision of standard and special application coiled tubing and pumping services for the Zawtika operation (backup contract). The contract is valued at approximately USD 9.27 million (RM43.9 million).

- **PROVISION OF ELECTRIC WIRELINE LOGGIN ("EWL") EQUIPMENT AND NON-RIG ASSISTED SERVICES ("NRA") FOR EXXONMOBILE EXPLORATION AND PRODUCTION MALAYSIA INC.**

UESB has accepted a letter of award from ExxonMobil Exploration and Production Malaysia Inc. on 24 April 2024 for the provision of Non-Rig Assisted and Electric Wireline Logging equipment and services in West Malaysian waters. The contract, which includes technical consultancy, logging, perforation, plug/packer setting, and auxiliary tools, runs for three years, commencing 3 May 2024 to 2 May 2026.

SEGMENTAL REVIEW

O&G SEGMENT

The O&G segment remained the largest contributor to Uzma's revenue in FY2024. This segment encompasses two business divisions: Well Solutions and Production Solutions, which continue to be the backbone of Uzma's operations.

This segment contributed approximately 70.1% of the Group's total revenue, amounting to RM492.3 million. This represents a 28.4% increase from RM383.6 million in FY2023, driven by higher upstream activities and increased demand for well services and production optimisation.

Global supply and demand for petroleum liquids is forecasted to remain relatively balanced over the next two years, with average annual crude oil prices in 2024 and 2025 expected to stay near 2023 levels. The supply cuts implemented by the Organization of the Petroleum Exporting Countries and its allies ("OPEC+") are tightening the physical market, while non-OPEC+ producers, including Malaysia, are anticipated to increase production in 2024 and 2025 compared to 2023.

According to PETRONAS Activity Outlook 2024–2026, numerous ongoing and upcoming projects are set to support this growth, including:

EXPLORATION ACTIVITIES

Over 25 wells are expected to be drilled annually over the next three years.

DEVELOPMENT ACTIVITIES

More than 45 upstream projects are planned, including the fabrication of four central processing platforms, the construction of three onshore facilities, and the installation of 1,130 km of pipelines.

OPERATIONAL ACTIVITIES

Approximately 300 facilities improvement plans will be implemented each year, focusing on rejuvenation and major maintenance activities.

DECOMMISSIONING ACTIVITIES

The plugging and abandonment of about 130 wells and decommissioning of approximately 50 facilities are projected over the same period.



WELL SOLUTIONS



In FY2024, the Well Solutions division demonstrated solid growth and continued to expand its market presence across Southeast Asia. The segment focused on enhancing its market share in Thailand, Indonesia, and the Philippines by capitalising on the increasing demand for well intervention, plug & abandonment, and workover activities in these regions.

THAILAND

Uzma successfully expanded its market share through new contracts with PTTEP for offshore operations and AAPICO for onshore Heavy Workover Units ("HWU"). These operations have strengthened Uzma's footprint in Thailand and positioned the company as a key regional service provider.

INDONESIA

The company explored new opportunities for Coil Tubing Units ("CTU") and HWU operations. Although the market remains competitive, Uzma's strategic initiatives have paved the way for potential growth in the coming years.

PHILIPPINES

Uzma made significant inroads into the geothermal sector, securing contracts for primary cementing services with Philippine Geothermal Production Company ("PGPC"). This achievement marks Uzma's entry into a new and promising market.

Prospects / Outlook for Well Solutions :

The Group maintains a positive outlook, having secured several major contracts from PETRONAS and other oil majors during the financial year. These achievements underscore the Group's capabilities and competitiveness within the industry. By actively pursuing new opportunities, the Group aims to enhance its top-line performance and solidify its market position.

PRODUCTION SOLUTIONS



The Production Solutions division recorded a strong performance in FY2024, driven by significant contract wins and operational successes. The segment continued to solidify its leadership in Mobile Offshore Production Units ("MOPU") in Malaysian waters and explored new growth opportunities in related services.

Uzma secured a major contract to lease and operate a second Water Injection Facility ("WIF") at the SF30 field, complementing our existing Marsya facility. This 5+2 years contract is expected to contribute positively to the Group's earnings, reinforcing its position as a leading MOPU supplier.

The segment outperformed expectations in the Electrical Submersible Pumps ("ESP") and Gas Lift Valves market domestically and outside of Malaysia.

Prospects / Outlook for Production Solutions :

The Production Solutions division is expected to continue its strong performance, with the WIF contract expected to provide a stable and recurring income for our domestic market.

We are also looking into the opportunity to offer our ESP internationally by collaborating with local partners. Expanding into a new market like Indonesia could provide significant growth potential.

The potential expansion into new markets, particularly in the Middle East for ESP, could further enhance the division's growth trajectory.

NEW ENERGY



Uzma accelerated its efforts to diversify and balance its business portfolio beyond the oil and gas sector by venturing into new key growth areas such as New Energy, which focuses on renewable energy, reflecting the Group's strategic shift towards sustainable energy solutions.

Our New Energy business is growing. We secured more Net Energy Metering contracts as both EPCC Engineering, Procurement, Construction and Commissioning ("EPCC") and PPA ("Power Purchase Agreement") provider.

The completion of our flagship LSS4 Solar Project construction phase was a significant milestone. The project is expected to begin contributing more substantially to revenue once it reaches its Commercial Operation Date in Q4 2024.

In addition, the Corporate Green Power Programme ("CGPP"), part of NETR launched on 27 July 2023, is still awaiting the issuance of the interconnection agreement, which is being finalised by Tenaga Nasional Berhad / Single Buyer. Bahau Power Sdn Bhd (with Uzma Environergy Sdn Bhd holding 49% equity) is targeting the completion of preliminary works for the development of its 12.16MW project in Bahau, Negeri Sembilan by Q4 2024.

Prospects / Outlook for New Energy :

The prospects for the renewable energy sector in Malaysia appear promising, buoyed by the Government's proactive measures to elevate the renewable energy capacity to 70% of the country's overall energy composition, coupled with an ambitious target to attain net zero emissions by 2050. According to Malaysia Energy Transition Outlook 2023, the power sector anticipates a surge in renewable energy capacity to 31% by 2025 and a subsequent rise to 40% by 2035, with the NETR as a pivotal development. Notably, solar energy is positioned to emerge as the primary source of renewable energy within this framework.

On 26 July 2024, the Ministry of Energy Transition and Water Transformation ("PETRA") introduced the Corporate Renewable Energy Supply Scheme ("CRESS"), which has rolled out in September 2024, to increase corporate access to green energy by allowing third-party access to purchase and sell electricity through the grid network.

The CRESS initiative aims to lower both risks and expenses in the national electricity supply network, while also encouraging fair competition among developers. Uzma looks forward to participating in this program.

Q4 2024 will see Uzma Environergy Sdn Bhd, intensifying its efforts on technology and innovation in this segment. The company entered into a strategic partnership with leading technology and R&D partners such as Terawatt Limited, Mimos Services Sdn Bhd and Universiti Tenaga Nasional Sdn Bhd to collaborate on battery energy storage systems ("BESS") and other renewable energy and energy efficiency technologies. BESS will be essential for ensuring consistent output and minimizing energy supply disruptions, which are key requirements for participating in the CRESS programme. Uzma anticipates further collaborations with industry players and academic institutions in the future, as such partnerships allow the Group to scale up, stay competitive, and continue to deliver cutting-edge renewable energy solutions.

In addition to the participation in the LSS bidding, Uzma Group is expecting potential growth in EPCC revenue under programmes launched by the government starting with CGPP. The New Energy division is poised for growth as Malaysia's renewable energy sector expands and the government continues its initiatives in developing this area. The success of Uzma's ongoing renewable energy projects is expected to drive significant revenue contributions in the coming years.



DIGITAL EARTH



The Digital Earth division includes services related to software development, digital solutions, and geospatial intelligence. This segment is integral to Uzma's diversification strategy into high-growth, technology-driven markets. While currently still in the start-up phase, we believe there are significant opportunities within this area, given the increasing demand for high-resolution satellite data.

A key achievement for the year was the successful finalisation of the UzmaSAT-1 project, which marks Malaysia's first privately owned submeter resolution Earth Observation satellite. Scheduled for launch late 2024 or early 2025, UzmaSAT-1 is expected to be a significant milestone for both Uzma and Malaysia's space industry. This groundbreaking development enhances our capacity to acquire high-resolution satellite data and reinforces our leadership position in geospatial intelligence. The project aligns with the goals of Malaysia's Space Exploration 2030 ("MSE2030") and Space Industry Strategic Plan 2030.

Meanwhile, Uzma's Land Use Change Analysis ("LUCA") services experienced substantial growth, completing over 75 assignments. Our expertise in LUCA has been recognised globally, with over 50 assignments completed across Colombia, Peru, Indonesia, Thailand, and Malaysia, covering nearly 100,000 hectares of palm oil plantations. This highlights our growing prominence and reliability in space-based geospatial solutions. Our strategic partnerships with Umbra Space and Satellogic have significantly bolstered our service offerings. Umbra Space's provision of high-resolution Synthetic Aperture Radar imagery has complemented our existing capabilities, enhancing our ability to deliver detailed and accurate analyses. Additionally, our collaboration with Satellogic has expanded our portfolio of Earth Observation satellites, allowing us to offer advanced solutions in environmental, social, and governance ("ESG") domains. These partnerships are pivotal in driving our growth and extending our reach in the international market.

As part of our downstream expansion, we have introduced several innovative solutions, including plant health monitoring, ground movement detection, and construction monitoring. These advancements are set to drive further growth in FY2025. We are also excited to announce the upcoming launch of Uzma Digital Earth, a comprehensive platform designed to provide graphical user interface ("GUI") solutions tailored to our clients' specific needs. This platform will enhance our ability to deliver customised and user-friendly data analytics.

Our commitment to innovation and growth has been recognised with the Emerging Technology award at the Malaysia Technology Awards ("MTEA") for the UzmaSAT-1 Programme. This accolade underscores our dedication to revolutionising geospatial intelligence with high-temporal and high-spectral resolution satellite imagery, supporting sustainable ESG applications.

Prospects / Outlook for Digital Earth :

The Digital Earth division is expected to be a key growth driver for Uzma in the future, with the upcoming deployment of UzmaSAT-1 in 2025 and potential strategic partnerships opening new opportunities in geospatial intelligence. Uzma remains committed to harnessing digitalisation and advanced space-based technologies to fuel sustainable growth, while staying aligned with our strategic objectives and Malaysia's national aspirations.



ENERGY TRADING



The Energy Trading division includes the distribution of liquefied natural gas ("LNG") via Virtual Pipeline System ("VPS"), the supply of jet fuel, urea and methanol, as well as the distribution of natural gas via third-party access ("TPA"). The division, particularly through Uzma LNG Sdn Bhd, experienced rapid growth and made a substantial impact on the Group's overall performance.

Notably, the division exports urea to the Philippines and supplies jet fuel to Papua New Guinea, further broadening its market presence and impact across the region.

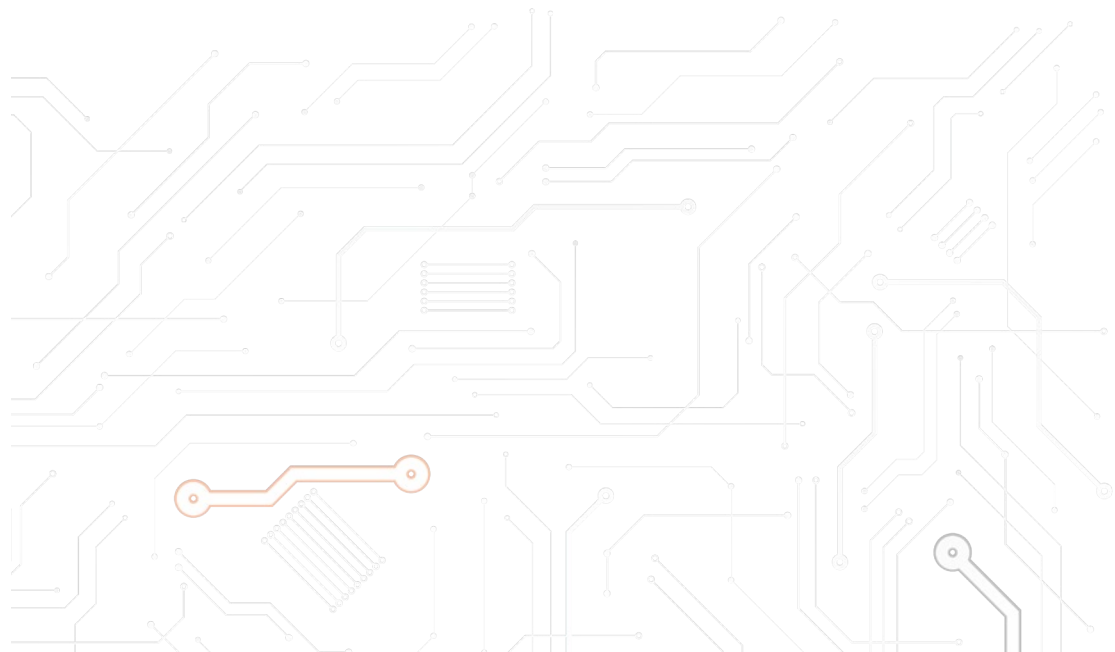
In addition, the Group's 51%-owned subsidiary, Jannatul Firdaus International Sdn Bhd, recently entered into an Expression of Interest with Arafura Energies Ltd. and Australian Niugini Services for a sale and purchase agreement for hydrocarbon fuel, aimed at supporting the Papua New Guinea (PNG) market. This partnership is expected to secure a stable fuel supply for PNG, further expanding the Group's footprint in Australasia.

Prospects / Outlook for Energy Trading :

The Energy Trading division is expected to maintain steady growth, supported by continued demand for petrochemical products and potential expansion into new markets. In addition, Malaysia's NETR includes the continuation of natural gas to replace coal in power plants and industrial usage.

We are poised to expand this business by venturing into the natural gas supply sector via pipeline through the Third-Party Access ("TPA") shipping and import license. With the imminent expiration of the contract from the incumbent supplier, we see a prime opportunity to enter the market. This strategic move will not only create significant value for both gas users and suppliers but also add vibrancy and dynamism to the domestic gas supply market.

By leveraging our expertise and the new TPA framework, we aim to offer more competitive and reliable gas supply solutions, enhancing the overall efficiency and sustainability of the domestic energy supply chain.



GEOGRAPHICAL OPERATIONAL REVIEW

Uzma's operations in FY2024 spanned several key geographical regions, each contributing uniquely to the Group's overall performance. Our strategic focus on expanding our presence in Southeast Asia, coupled with targeted growth initiatives in the Middle East and other regions, has solidified Uzma's position as a leading player in the energy and technology sectors.



MALAYSIA

Malaysia remains the core operational hub for Uzma, contributing the largest share of the Group's revenue at 86.3% (RM606.1 million unconsolidated). The country's strategic location, well-established energy infrastructure, and supportive regulatory environment have enabled Uzma to maintain its leadership in the O&G sector, while also expanding into new energy and technology markets.

Malaysia's upstream activities continued to drive significant revenue. Key projects such as the second WIF at the SF30 field bolstered Uzma's reputation as a leading service provider in the O&G sector. Meanwhile, our subsidiary, Malaysian Energy Chemical & Services Sdn Bhd ("MECAS"), secured two new contracts: the Shell Integrity Production Chemical and Petronas Corrosion Inhibitor & Biocides contracts. MECAS also extended contracts for Hibiscus Malaysia and JX Nippon, supporting shallow water production chemicals, further enhancing Uzma's position in the market.

The LSS4 Solar Project reached a critical milestone with the completion of its construction phase. This project, along with the CGPP, underscores Uzma's commitment to supporting Malaysia's renewable energy goals.

We made great progress in the Energy Trading division, with our startup Uzma LNG Sdn Bhd becoming the leading domestic LNG supplier in Malaysia within a short period of time.

Uzma's operations in Malaysia are expected to remain robust, with ongoing projects in both the O&G and renewable energy sectors. The Group's strategic initiatives in digital technology and satellite services will further enhance our market position in the country.

OTHER MARKETS

As part of our broader diversification efforts under the uzma5R strategy, we have tapped into new opportunities in international markets, enabling Uzma to mitigate risks associated with domestic market fluctuations. Overall, our overseas markets contributed 13.7% (RM95.9 million unconsolidated) to the Group's revenue in FY2024.

THAILAND

Thailand has been a key market for Uzma's expansion in Southeast Asia, particularly in the upstream O&G sector. The country's growing demand for well services and production enhancement solutions has provided ample opportunities for Uzma to increase its market share.

The continued demand for well intervention and production optimization services in Thailand has contributed to the overall growth of the Group's O&G segment.

The outlook for Uzma's operations in Thailand remains positive, with expected growth in well services and production enhancement activities. The Group will continue to explore opportunities to expand its service offerings in this strategically important market.

INDONESIA

Indonesia represents a significant growth market for Uzma, particularly in the O&G and geothermal sectors. The country's vast natural resources and ongoing energy projects offer numerous opportunities for Uzma to expand its footprint.

Uzma's operations in Indonesia are expected to grow, particularly as the country continues to develop its energy sector. The Group will focus on securing additional contracts and expanding our services in both the O&G and renewable energy sectors.

PHILIPPINES

The Philippines has emerged as a new and promising market for Uzma, particularly in the geothermal sector. The country's increasing focus on renewable energy presents opportunities for Uzma to expand its operations and establish a strong market presence.

The Philippines is expected to become a key market for Uzma's geothermal services. The Group will continue to explore additional opportunities in the renewable energy sector, leveraging our expertise to support the country's energy transition goals.

MIDDLE EAST

Uzma has identified the Middle East as a strategic growth region, particularly for its Production Solutions division. The region's abundant oil reserves and ongoing energy projects present lucrative opportunities for Uzma to expand its service offerings.

Uzma has been actively exploring opportunities in the Middle Eastern market, particularly in the ESP and Gas Lift Valves sectors. While operations in this region are still in the early stages, the potential for growth is significant. The Group will focus on establishing strategic partnerships and securing contracts to expand our presence in this region.

MANAGING RISKS

Managing risks is a critical aspect of Uzma's strategic framework, ensuring that the Group remains resilient and adaptable in the face of an increasingly complex and dynamic business environment. Risk management at Uzma is not just about mitigating potential threats but also about identifying opportunities that arise from well-managed risks. Our comprehensive risk management approach is integrated into our decision-making processes, allowing us to safeguard our assets, reputation, and shareholder value while pursuing growth and innovation.

In FY2024 we enhanced our risk management approach by establishing the Group's Board Sustainability and Risk Management Committee ("SRMC"), comprising three Independent Non-Executive directors. This Committee is tasked with overseeing the development and implementation of a comprehensive risk management framework, enhancing internal control systems, formulating sustainability strategies, and overseeing sustainability governance. In addition, the SRMC will play a key role in evaluating and recommending appropriate risk thresholds to the Board. These proactive steps highlight our commitment to managing risk effectively and fostering the Group's long-term sustainable growth.

More information on the SRMC is available on page 90 in the Sustainability Statement section of this Report.

LOOKING AHEAD

The global energy landscape is undergoing significant transformation, with increasing emphasis on sustainability, digitalisation, and energy transition. Uzma is well-positioned to capitalise on these trends, leveraging our expertise in the O&G sector while expanding into renewable energy, digital technologies, and other high-growth areas.

The O&G sector continues to be a core pillar of Uzma's operations, and the Group is committed to maintaining leadership in this space. With a robust portfolio of upstream services, including well intervention, production optimisation, and chemical solutions, Uzma is well-equipped to meet the ongoing demand for O&G services in Southeast Asia and beyond. The Group's strategic expansion into new regional markets, such as the Middle East, further enhances our growth potential in this segment.

Uzma's strategic shift towards renewable energy is a key driver of our future growth. The Group's ongoing investments in solar energy, along with exploration of other renewable technologies such as wind and energy storage, will diversify our revenue streams and reduce reliance on traditional O&G activities. This strategic diversification aligns with global trends towards sustainability and positions Uzma to benefit from the increasing demand for clean energy solutions.

As the energy landscape continues to evolve, Uzma's diversified portfolio, strong market position, and forward-looking strategies will enable us to thrive in a dynamic and competitive environment. The Group is well-positioned to achieve our long-term objectives, delivering sustainable value to our stakeholders and contributing positively to the broader energy transition.



OUR STRATEGY

The Uzma Five-Year Plan that we embarked on in FY2019 has started to bear fruit. Our diversification beyond the Oil and Gas ("O&G") business into new growth areas, i.e. New Energy, Energy Trading and Digital Earth are in an upward trajectory with anticipated higher revenue contribution in coming years. The capital investment in a multi-year project Large Scale Solar will be operationalised in FY2025 and will provide steady recurring revenue to the Group.

Furthermore, the upcoming launch of our satellite, UzmaSAT-1 will be a testament to our innovative solution that converges both digitalisation and space economies. We will continue to expand our O&G services regionally through our established footprint in Thailand and Indonesia and further grow our services for Geothermal industry in the Philippines.

UZMASAT-1



FOUR FOCUS AREAS

We are steadfastly committed to realising our vision by focusing on the following Four Focus Areas:

01



BECOMING THE PEOPLE'S CHOICE

We are dedicated to becoming the People's Choice not only for our valued employees but also for our esteemed customers. By fostering an environment of engagement, empowerment, and professional growth, we aim to attract, retain, and nurture top talent. Simultaneously, we endeavor to exceed customer expectations by delivering exceptional value and innovation through our services.

02



ENSURING FINANCIAL RESILIENCE

In anticipation of potential industry downturns, we prioritise financial resilience as a cornerstone for sustainable growth. Our vigilant financial management strategies empower us to navigate economic uncertainties while maintaining our commitment to strategic investments and operational excellence.

03



ACHIEVING A BALANCED PORTFOLIO

As the O&G landscape undergoes transformation, we proactively adapt our portfolio to align with changing market dynamics. This agile approach ensures our participation in evolving sectors and enables us to seize emerging opportunities that strategically complement our core competencies.

04



EMBEDDING TECHNOLOGY AND MODERNIZATION

We recognise that technological innovation is pivotal in distinguishing our offerings. By integrating cutting-edge technologies and fostering a culture of continuous improvement, we position ourselves as a trailblazer in the industry, enhancing efficiency, scalability, and customer experiences.

TWO STRATEGIC THEMES

01

ELEVATING O&G RESILIENCE AND AGILITY

While O&G remains a cornerstone of our operations, we are resolute in enhancing its resiliency and operational agility. To achieve this, we will undertake the following key strategic moves:

- Consolidating our strengths through integration;
- Optimising our portfolio for increased resiliency against oil price volatility; and
- Upholding stringent capital discipline

02

ACCELERATING NON-O&G BUSINESS

The Non-O&G segment represents a compelling avenue for growth, and we are committed to capitalising on this potential. Our strategic key moves include the following:

- Targeting expansion into high growth industries; and
- Facilitated by smart partnerships and mergers and acquisitions for rapid growth.

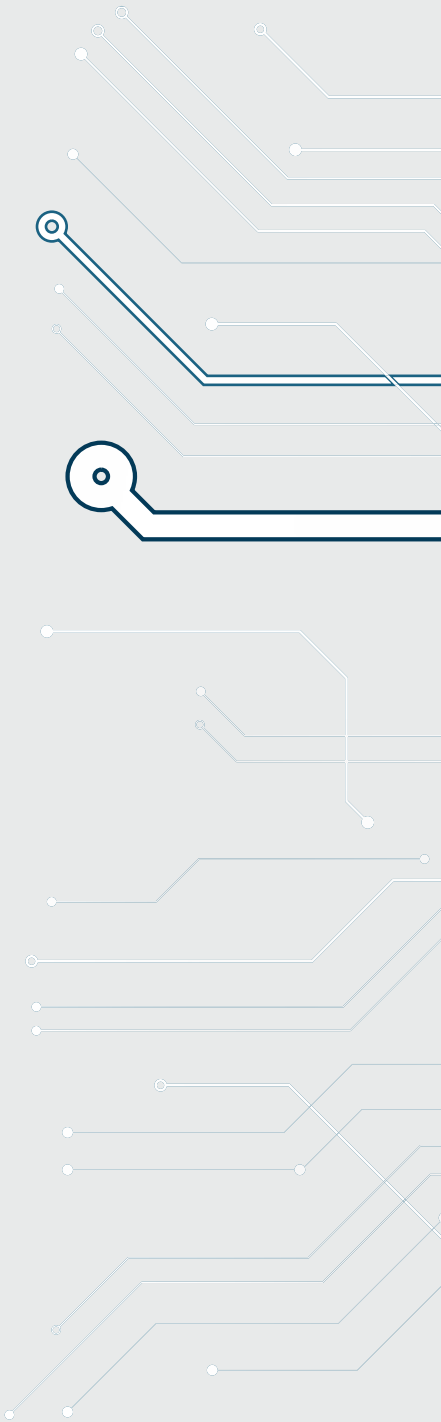
In summary, Uzma's journey towards achieving our vision is underscored by the Four Focus Areas and Two Strategic Themes. By prioritizing excellence in employee and customer relations, bolstering financial robustness, adapting to industry shifts, embracing technology, and strategically expanding into new realms, we remain unwavering in our pursuit of excellence and growth.

SECTION

03

OUR
LEADERS

Board of Directors Profile	62
Oversight Committee Profile	74





BOARD OF DIRECTORS







DATUK ABDULLAH BIN KARIM

INDEPENDENT NON-EXECUTIVE CHAIRMAN

• 72 • Malaysian • Male

DATE OF APPOINTMENT:

- 25 August 2016 as a Member of the Board
- 30 August 2018 as the Chairman of the Board

NO. OF MEETINGS ATTENDED: 7/7

QUALIFICATIONS

- Diploma in Gas Engineering, Illinois Institute of Gas Technology, United States of America
- Bachelor of Sciences in Mechanical Engineering, University of Western Australia, Australia

WORKING EXPERIENCE AND OCCUPATION

- 1981 to 1991 Project Engineer, PETRONAS Carigali Sdn. Bhd.
- 1991 to 1995 General Manager, Development Division, PETRONAS Carigali Sdn. Bhd.
- 1995 to 1999 Managing Director/CEO, OGP Technical Services Sdn. Bhd.
- 1999 to 2004 Managing Director/CEO, Malaysia LNG Group of Companies
- 2004 to 2010 Vice President, Exploration & Production Business, PETRONAS
- 2010 to 2012 President/CEO, PETRONAS Carigali Sdn. Bhd.
- 2012 to 2016 Vice President and Venture Director of Domestic LNG, PETRONAS

Board Committee Memberships:

- NIL

Directorship in Other Public Companies and Listed Issuers:

- Senior Independent Non-Executive Director, Ranhill Utilities Berhad
- Independent Non-Executive Director, Yinson Holdings Berhad
- Independent Non-Executive Director, Icon Offshore Berhad

Any Conflict of Interest or Potential Conflict of Interest, Including Interest in any Competing Business with the Listed Issuer or Its Subsidiaries

- NIL

Any Family Relationship with Any Director and/or Major Shareholder of the Listed Issuer:

- NIL

List of Convictions for Offences within the Past 5 Years and Particulars of Any Public Sanction or Penalty Imposed by the Relevant Regulatory Bodies during the Financial Year, (Other Than Traffic Offences, If Any)

- NIL



DATO' KAMARUL REDZUAN BIN MUHAMED

**MANAGING DIRECTOR /
GROUP CHIEF EXECUTIVE OFFICER**

• 52 • Malaysian • Male

DATE OF APPOINTMENT:

- 21 May 2008 as a Member of the Board

NO. OF MEETINGS ATTENDED: 7/7

QUALIFICATIONS

- Bachelor of Science in Petroleum Engineering, Colorado School of Mines, United States of America
- Master of Science in Oceanography (Geological Oceanography), Universiti Malaysia Terengganu, Malaysia

WORKING EXPERIENCE AND OCCUPATION

- 1994 to 1995 Facilities Engineer, Esso Production Malaysia Inc.
- 1995 to 1999 Business Development Manager of Asian Region, Smedvig Technologies Sdn. Bhd.
- 1999 to 2005 Managing Director, Roxar Sdn. Bhd.
- 2000 to Present Managing Director / Group CEO of Uzma Berhad

Board Committee Memberships:

- Employee's Share Scheme Committee

Directorship in Other Public Companies and Listed Issuers:

- NIL

Any Conflict of Interest or Potential Conflict of Interest, Including Interest in any Competing Business with the Listed Issuer or Its Subsidiaries

- NIL

Any Family Relationship with Any Director and/or Major Shareholder of the Listed Issuer:

- He is the spouse of Datin Rozita Binti Mat Shah @ Hassan, who is deemed to be a major shareholder of the Company through her substantial interest in Tenggiri Tuah Sdn. Bhd. which in turn holds 22.63% equity in the Company

List of Convictions for Offences within the Past 5 Years and Particulars of Any Public Sanction or Penalty Imposed by the Relevant Regulatory Bodies during the Financial Year, (Other Than Traffic Offences, If Any)

- NIL



DATO' CHE NAZAHATUHHISAMUDIN BIN CHE HARON

EXECUTIVE DIRECTOR

- 52
- Malaysian
- Male

DATE OF APPOINTMENT:

- 21 May 2018 as a Member of the Board

NO. OF MEETINGS ATTENDED: 7/7

QUALIFICATIONS

- Bachelor of Science in Electrical Engineering, Valparaiso University, Indiana, United States of America

WORKING EXPERIENCE AND OCCUPATION

- 1996 to 1999 Project Engineer, Scopetel (M) Sdn. Bhd.
- 1999 to 2003 Business Development Executive, AKK Management Sdn. Bhd.
- 2003 to 2006 General Manager, AKK Management Sdn. Bhd.
- 2006 to 2011 General Manager, Resource Solutions, Uzma Engineering Sdn. Bhd.
- 2011 to 2013 Senior Vice President, Sales & Marketing, Uzma Engineering Sdn. Bhd.
- 2013 to 2016 Executive Vice President / Chief Executive Officer, Setegap Ventures Petroleum Sdn. Bhd. (secondment)
- 2016 to 2018 Deputy Chief Executive Officer / Executive Vice President of Sales, Uzma Engineering Sdn. Bhd.
- 2018 to 2019 Chief Executive Officer of Well Services, Uzma Engineering Sdn. Bhd.
- 2019 to 2021 Chief Executive Officer of Upstream Services, Uzma Engineering Sdn. Bhd.
- 2021 to 2023 Chief Executive Officer of O&G Business Division, Uzma Engineering Sdn. Bhd.
- 2023 to Present Chief Executive Officer, Group Well Solutions

Board Committee Memberships:

- NIL

Directorship in Other Public Companies and Listed Issuers:

- NIL

Any Conflict of Interest or Potential Conflict of Interest, Including Interest in any Competing Business with the Listed Issuer or Its Subsidiaries

- NIL

Any Family Relationship with Any Director and/or Major Shareholder of the Listed Issuer:

- NIL

List of Convictions for Offences within the Past 5 Years and Particulars of Any Public Sanction or Penalty Imposed by the Relevant Regulatory Bodies during the Financial Year, (Other Than Traffic Offences, If Any)

- NIL



DATIN ROZITA BINTI MAT SHAH @ HASSAN

EXECUTIVE DIRECTOR

• 54 • Malaysian • Female

DATE OF APPOINTMENT:

- 01 June 2024 as a Member of the Board

NO. OF MEETINGS ATTENDED: 2/2

QUALIFICATIONS

- Bachelor of Science in Chemical Engineering, Rensselaer Polytechnic Institute, New York, United States of America

WORKING EXPERIENCE AND OCCUPATION

- 1994 to 2000 Project Engineer, Exxon Production Malaysia Inc.
- 2000 to 2001 Process Engineer, OGP Technical Services Sdn. Bhd.
- 2001 to Present Chief People Officer, Uzma Berhad

Board Committee Memberships:

- NIL

Directorship in Other Public Companies and Listed Issuers:

- NIL

Any Conflict of Interest or Potential Conflict of Interest, Including Interest in any Competing Business with the Listed Issuer or Its Subsidiaries

- NIL

Any Family Relationship with Any Director and/or Major Shareholder of the Listed Issuer:

- She is the spouse of Dato' Kamarul Redzuan Bin Muhamed, the Managing Director/ Group Chief Executive Officer of Uzma Berhad, who is deemed to be a major shareholder of the Company through his substantial interest in Tenggiri Tuah Sdn. Bhd., which in turn holds 22.63% equity in the Company

List of Convictions for Offences within the Past 5 Years and Particulars of Any Public Sanction or Penalty Imposed by the Relevant Regulatory Bodies during the Financial Year, (Other Than Traffic Offences, If Any)

- NIL



DATUK SERI DR. ZURAINAH BINTI MUSA

INDEPENDENT NON-EXECUTIVE DIRECTOR

- 62
- Malaysian
- Female

DATE OF APPOINTMENT:

- 13 May 2015 as a Member of the Board

NO. OF MEETINGS ATTENDED: 6/7

QUALIFICATIONS

- Diploma in Secretarial Science from Universiti Teknologi MARA, Malaysia
- Diploma in Occupational Health and Safety, University of New South Wales, Australia
- Post Graduate Diploma in Human Resource Management, University of Newcastle, Australia
- Master of Business Administration, Berjaya University College of Hospitality, Malaysia
- Doctor of Philosophy in Management, Universiti Kuala Lumpur

WORKING EXPERIENCE AND OCCUPATION

- 1984 to 1985 Secretary, Kenyon & Eckhardt, Advertising
- 1985 to 1986 Personal Assistant, Bangladesh High Commission
- 1986 to 1988 General Manager, SHRM Sdn. Bhd., Malaysia, Singapore
- 1988 to 1989 Senior Secretary, Servcop, Venture Capital Pty Ltd, Australia
- 1992 to 1994 General Manager, MMI Insurance Malaysia
- 1995 to 2010 Managing Director, Permata Kancil (M) Sdn. Bhd.
- 2010 to 2023 Executive Director, Berjaya Corporation Berhad

Board Committee Memberships:

- Chairperson of the Nomination and Remuneration Committee
- Chairperson of the Employees' Share Scheme Committee

Directorship in Other Public Companies and Listed Issuers:

- Advisory Council, MAHSA University (Haniffa Business School)

Any Conflict of Interest or Potential Conflict of Interest, Including Interest in any Competing Business with the Listed Issuer or Its Subsidiaries

- NIL

Any Family Relationship with Any Director and/or Major Shareholder of the Listed Issuer:

- NIL

List of Convictions for Offences within the Past 5 Years and Particulars of Any Public Sanction or Penalty Imposed by the Relevant Regulatory Bodies during the Financial Year, (Other Than Traffic Offences, If Any)

- NIL



IKHLAS BIN ABDUL RAHMAN

INDEPENDENT NON-EXECUTIVE DIRECTOR

• 67 • Malaysian • Male

DATE OF APPOINTMENT:

- 1 February 2017 as a Member of the Board

NO. OF MEETINGS ATTENDED: 6/7

QUALIFICATIONS

- Bachelor of Technology in Production Engineering and Management, Loughborough University of Technology, United Kingdom
- Cascelloid Award for Best Project Final Year, Loughborough University of Technology, United Kingdom

WORKING EXPERIENCE AND OCCUPATION

- 1980 Senior Planner, Malaysian Airline System
- 1980 to 1985 Project Coordinator, Production Department, PETRONAS
- 1985 to 1997 Project Manager and other various positions, PETRONAS Carigali Sdn. Bhd.
- 1997 to 2000 General Manager, Business Development and Planning Division, and other various positions, OGP Technical Services Sdn. Bhd.
- 2001 to 2005 General Manager, LGP Sales Division, and other various positions, PETRONAS Dagangan Berhad
- 2007 to 2008 Chief Executive Officer, PETRONAS PICL (Egypt) Corp. Ltd.
- 2008 to 2010 Senior General Manager, JV Management Division, PETRONAS Carigali Sdn. Bhd.
- 2010 to 2014 Country Chairman, PETRONAS Iraq
- 2014 to 2016 Country Chairman, PETRONAS Iran

Board Committee Memberships:

- Chairman of the Board Sustainability and Risk Management Committee
- Member of the Audit Committee

Directorship in Other Public Companies and Listed Issuers:

- NIL

Any Conflict of Interest or Potential Conflict of Interest, Including Interest in any Competing Business with the Listed Issuer or Its Subsidiaries

- NIL

Any Family Relationship with Any Director and/or Major Shareholder of the Listed Issuer:

- NIL

List of Convictions for Offences within the Past 5 Years and Particulars of Any Public Sanction or Penalty Imposed by the Relevant Regulatory Bodies during the Financial Year, (Other Than Traffic Offences, If Any)

- NIL



Y. M. TENGKU EZUAN ISMARA BIN TENGKU NUN AHMAD

INDEPENDENT NON-EXECUTIVE DIRECTOR

- 46
- Malaysian
- Male

DATE OF APPOINTMENT:

- 1 January 2022 as a Member of the Board

NO. OF MEETINGS ATTENDED: 7/7

QUALIFICATIONS

- Professional Accounting (ACCA), Accounting and Business School of Dublin (Dublin Business School)
- Double Degree in Accounting and Finance, University of East London
- Master in Law (LLM) (Executive Banking), International Islamic University

WORKING EXPERIENCE AND OCCUPATION

- 2004 to 2008 Business Support Manager, Max Energy Sdn. Bhd.
- 2008 to 2012 Visiting Lecturer, International Islamic University
- 2008 to 2011 Head of Group Business Development, GL Noble Denton
- 2011 to 2013 Executive Director, Bumiflow Technology Sdn. Bhd.
- 2011 to 2013 Executive Director/Director of Corporate Services, Armada TPCE Sdn. Bhd.
- 2011 to 2015 Group Executive Chairman, EI Group of Companies
- 2015 to 2020 Chief Executive Officer, Sundata Sdn. Bhd.
- 2017 to 2020 Executive Deputy Chairman, Sundata Sdn. Bhd.

Board Committee Memberships:

- Chairman of the Audit Committee
- Member of the Nomination and Remuneration Committee
- Member of the Employees' Share Scheme Committee

Directorship in Other Public Companies and Listed Issuers:

- Non-Independent Non-Executive Director, Key Alliance Group Berhad
- Independent Non-Executive Chairman, Komarkcorp Berhad
- Independent Non-Executive Chairman, XOX Networks Berhad

Any Conflict of Interest or Potential Conflict of Interest, Including Interest in any Competing Business with the Listed Issuer or Its Subsidiaries

- NIL

Any Family Relationship with Any Director and/or Major Shareholder of the Listed Issuer:

- NIL

List of Convictions for Offences within the Past 5 Years and Particulars of Any Public Sanction or Penalty Imposed by the Relevant Regulatory Bodies during the Financial Year, (Other Than Traffic Offences, If Any)

- NIL



DATUK FARISHA BINTI PAWAN TEH

INDEPENDENT NON-EXECUTIVE DIRECTOR

• 55 • Malaysian • Female

DATE OF APPOINTMENT:

- 14 February 2022 as a Member of the Board

NO. OF MEETINGS ATTENDED: 7/7

QUALIFICATIONS

- Bachelor Degree in Chemical Engineering, Universiti Teknologi Malaysia

WORKING EXPERIENCE AND OCCUPATION

- 1992 to 1994 Management Trainee, Unilever (Malaysia) Holdings Sdn. Bhd.
- 1994 to 1995 Assistant Packaging Development Manager, Unilever (Malaysia) Holdings Sdn. Bhd.
- 1995 to 1996 Packaging Development Manager, Unilever (Malaysia) Holdings Sdn. Bhd.
- 1996 to 1997 Packaging Manager, Unilever (Malaysia) Holdings Sdn. Bhd.
- 1997 to 2004 Brand Manager, Unilever (Malaysia) Holdings Sdn. Bhd.
- 2004 Senior Brand Manager, Unilever (Malaysia) Holdings Sdn. Bhd.
- 2005 Marketing Manager, Nestle Malaysia Sdn. Bhd.
- 2005 to 2008 General Manager Brand Management Group, TV3, Sistem Televisyen Malaysia Berhad
- 2008 to 2011 Chief Operating Officer, Primeworks Studios Sdn. Bhd
- 2011 to 2018 Director, Nation Branding Division, Office of the Prime Minister (PMO)
- 2018 to present Senior Partner & Founder, Stand Out Sdn. Bhd.
- 2020 to 2021 Special Advisor to the Minister of Youth and Sports, Ministry of Youth and Sports (KBS)
- 2021 Board of Trustee, Women Leadership Foundation.
- 2021 Director, Awesome TV.
- 2021 to 2022 Special Advisor to the Minister of Housing & Local Government, Ministry of Housing and Local Government (KPKT)

Board Committee Memberships:

- Member of the Nomination and Remuneration Committee
- Member of the Employees' Share Scheme Committee
- Member of the Board Sustainability and Risk Management Committee

Directorship in Other Public Companies and Listed Issuers:

- NIL

Any Conflict of Interest or Potential Conflict of Interest, Including Interest in any Competing Business with the Listed Issuer or Its Subsidiaries

- NIL

Any Family Relationship with Any Director and/or Major Shareholder of the Listed Issuer:

- NIL

List of Convictions for Offences within the Past 5 Years and Particulars of Any Public Sanction or Penalty Imposed by the Relevant Regulatory Bodies during the Financial Year, (Other Than Traffic Offences, If Any)

- NIL



MAZLI ZAKUAN BIN MOHD NOOR

INDEPENDENT NON-EXECUTIVE DIRECTOR

- 54
- Malaysian
- Male

DATE OF APPOINTMENT:

- 1 September 2022 as a Member of the Board

NO. OF MEETINGS ATTENDED: 6/7

QUALIFICATIONS

- Bachelor in Material & Mechanical Engineering, Universiti Kebangsaan Malaysia
- Master in Business Administration, Universiti Teknologi Mara, Malaysia
- Fellow, Institute of Corporate Directors Malaysia
- Professional Member, Society of Petroleum Engineers International
- Registered, Board of Engineers Malaysia

WORKING EXPERIENCE AND OCCUPATION

- 1993 to 1994 Application Engineer, Antah Oil Tools & Services Sdn. Bhd.
- 1994 to 1997 Field engineer, Smith International Inc.
- 1997 to 2003 Account Manager, Nalco Energy Services Inc.
- 2003 to 2007 Senior vice President, Operations/ co-Founder, Maces Sdn. Bhd.
- 2007 to 2016 Chief Executive Officer/Co-founder, Maces Sdn. Bhd. and PAV Oilfield Services Sdn. Bhd.
- 2016 to 2018 Deputy Chief Executive Officer, Perbadanan Kemajuan Iktisad Negeri Kelantan
- 2020 to 2021 Chairman of Board of Trustees, Malaysian Timber Council (MTC)
- 2018 to 2023 Chief Executive Officer, Menteri Besar Incorporated (MBI) Terengganu

Board Committee Memberships:

- Member of the Audit Committee
- Member of the Board Sustainability and Risk Management Committee

Directorship in Other Public Companies and Listed Issuers:

- NIL

Any Conflict of Interest or Potential Conflict of Interest, Including Interest in any Competing Business with the Listed Issuer or Its Subsidiaries

- NIL

Any Family Relationship with Any Director and/or Major Shareholder of the Listed Issuer:

- NIL

List of Convictions for Offences within the Past 5 Years and Particulars of Any Public Sanction or Penalty Imposed by the Relevant Regulatory Bodies during the Financial Year, (Other Than Traffic Offences, If Any)

- NIL



DATO' NASRI BIN NASRUN

NON-INDEPENDENT NON-EXECUTIVE DIRECTOR

• 54 • Malaysian • Male

DATE OF APPOINTMENT:

- 20 February 2024 as a Member of the Board

NO. OF MEETINGS ATTENDED: 3/3

QUALIFICATIONS

- Chartered Accountant, Malaysian Institute of Accountants (MIA)
- Advanced Diploma in Accountancy, Universiti Teknologi MARA

WORKING EXPERIENCE AND OCCUPATION

- 1992 to 1996 Audit Assistant at KPMG Desa Megat & Co, Kuala Lumpur
- 1996 to 1997 Tax Accountant at Schlumberger Technical Services Inc, Dubai, United Arab Emirates
- 1997 to 1997 Finance Manager, Kumpulan Pinang Sdn. Bhd
- 1997 to 2000 Managing Director, Hijrah Solutions Sdn. Bhd.
- 2000 to 2003 Co-founder, SCAN Associates Berhad
- 2004 to Present Executive Chairman, Setegap Ventures Group of Companies
- 2006 to 2012 Director, MOL AccessPortal Sdn. Bhd.
- 2023 to Present Independent Non-Executive Director, Sedania Innovator Berhad

Board Committee Memberships:

- Member of the Audit Committee

Directorship in Other Public Companies and Listed Issuers:

- Sedania Innovator Berhad

Any Conflict of Interest or Potential Conflict of Interest, Including Interest in any Competing Business with the Listed Issuer or Its Subsidiaries

- NIL

Any Family Relationship with Any Director and/or Major Shareholder of the Listed Issuer:

- NIL

List of Convictions for Offences within the Past 5 Years and Particulars of Any Public Sanction or Penalty Imposed by the Relevant Regulatory Bodies during the Financial Year, (Other Than Traffic Offences, If Any)

- NIL

OVERSIGHT COMMITTEE







DATO' KAMARUL REDZUAN BIN MUHAMED

MANAGING DIRECTOR /
GROUP CHIEF EXECUTIVE OFFICER

YEAR JOINED 2000



DATO' NAZAHATUHSAMUDIN BIN CHE HARON

CHIEF EXECUTIVE OFFICER,
GROUP WELL SOLUTIONS

YEAR JOINED 2000



DATIN ROZITA BINTI MAT SHAH @ HASSAN

CHIEF PEOPLE OFFICER, UZMA BERHAD

YEAR JOINED 2001



LEE CHEN YOW

GROUP CHIEF FINANCIAL OFFICER

-
- 47
 - Malaysian
 - Male
-

DATE OF JOINED

- 16 November 2022

QUALIFICATIONS

- Member of Malaysian Institute of Accountants
- Member of Malaysian Institute of Certified Public Accountants

WORKING EXPERIENCE AND OCCUPATION

- 1996 to 2003 Audit Senior, BDO Binder Malaysia
- 2003 to 2004 Finance Manager, Ho Hup Construction Company Berhad
- 2004 to 2006 Finance Manager, Country Heights Holdings Berhad
- 2006 to 2009 Regional Accounting Manager, Astro All Asia Networks PLC
- 2009 to 2010 Assistant Vice President - Financial Management & Reporting, Astro Entertainment
- 2010 to 2011 Group Finance Manager, Uzma Engineering Sdn Bhd
- 2011 to Present Executive Director, Base Associates Management Consulting Sdn Bhd
- 2012 to Present Director, Jubli Sepadu Sdn Bhd
- 2014 to Present Director, Thinkbridge Advisory Sdn Bhd
- 2014 to Present Independent Non-Executive Director, Dancomech Holdings Berhad
- 2022 to 2023 Acting Group Chief Financial Officer, Uzma Berhad
- 2023 to Present Group Chief Financial Officer, Uzma Berhad

Other Directorship in Other Public Companies and Listed Issuers:

- Independent Non-Executive Director, Dancomech Holdings Berhad

Any Family Relationship with Any Director and/or Major Shareholder of the Listed Issuer:

- NIL

Any Conflict of Interest or potential conflict of interest, including interest in any competing business with the Listed Issuer or its subsidiaries:

- NIL

List of Convictions for Offences within the Past 5 Years and Particulars of Any Public Sanction or Penalty Imposed by the Relevant Regulatory Bodies during the Financial Year (Other Than Traffic Offences, If Any):

- NIL



SYED AZLAN BIN SYED IBRAHIM

CHIEF OF STAFF

- 51

•

Malaysian

•

Male

DATE OF JOINED

- 15 May 2024

QUALIFICATIONS

- Bachelor of Science in Industrial Engineering,
Columbia University, New York, United States of America
- LEAD Professional Certificate -
Stanford University Graduate School of Business

WORKING EXPERIENCE AND OCCUPATION

- 1996 to 1997

Engineer, Esso Production Malaysia Inc.
- 1997 to 2002

Consultant, Accenture Sdn. Bhd.
- 2002 to 2005

Senior Consultant, iPerintis Sdn. Bhd.
- 2005 to 2008

Manager, Accenture Sdn. Bhd.
- 2008 to 2012

Manager, Shell IT International
- 2013 to 2018

Senior Vice President, Malaysia Petroleum Resources Corporation (“MPRC”)
- 2018 to 2019

Head of Transformation, Uzma Berhad
- 2019 to 2022

Chief Transformation and Strategy Officer, Uzma Berhad
- 2023 to 2024

Chief Corporate Strategy Officer, Carimin Petroleum Berhad
- 2024 to Present

Chief of Staff, Uzma Berhad

Other Directorship in Other Public Companies and Listed Issuers:

- NIL

Any Family Relationship with Any Director and/or Major Shareholder of the Listed Issuer:

- NIL

Any Conflict of Interest or potential conflict of interest, including interest in any competing business with the Listed Issuer or its subsidiaries:

- NIL

List of Convictions for Offences within the Past 5 Years and Particulars of Any Public Sanction or Penalty Imposed by the Relevant Regulatory Bodies during the Financial Year (Other Than Traffic Offences, If Any):

- NIL



TS. DR. AHMAD KHALID BIN MD KHAIRI

CHIEF TECHNOLOGY & INNOVATION OFFICER,
TECHNOLOGY & INNOVATION

• 52 • Malaysian • Male

DATE OF JOINED

• 16 April 2018

QUALIFICATIONS

- Bachelor of Electrical Engineering, University of Pennsylvania, United States of America
- Master in Business Administration, Universiti Utara Malaysia, Malaysia
- Doctorate in Business Administration, Universiti Utara Malaysia, Malaysia
- Professional Technologist by Malaysia Board of Technologist (MBOT)
- Certified Graduate Engineer by Institute of Engineers Malaysia (IEM)

WORKING EXPERIENCE AND OCCUPATION

- 1995 to 1999 Test Engineer, Motorola
- 1999 to 2005 Product Marketing Engineer, Agilent Technologies
- 2006 to 2011 Product Marketing Manager, Broadcom (formerly known as Avago Technologies)
- 2012 to 2018 Senior Manager of Technology Venture, MIMOS Berhad
- 2018 to 2019 Head of Digitalisation, Uzma Berhad
- 2020 to 2023 Chief Executive Officer of New Energy Division, Uzma Berhad
- 2023 to Present Chief Technology & Innovation Officer of Group Technology & Innovation, Uzma Berhad

Other Directorship in Other Public Companies and Listed Issuers:

- NIL

Any Family Relationship with Any Director and/or Major Shareholder of the Listed Issuer:

- NIL

Any Conflict of Interest or potential conflict of interest, including interest in any competing business with the Listed Issuer or its subsidiaries:

- NIL

List of Convictions for Offences within the Past 5 Years and Particulars of Any Public Sanction or Penalty Imposed by the Relevant Regulatory Bodies during the Financial Year (Other Than Traffic Offences, If Any):

- NIL



MOHD SHAHRIN BIN SAAD

CHIEF EXECUTIVE OFFICER OF GROUP PRODUCTION SOLUTIONS, UZMA ENGINEERING SDN BHD

- 52
- Malaysian
- Male

DATE OF JOINED

- 13 July 2016

QUALIFICATIONS

- Bachelor of Science in Chemical and Petroleum Refining Engineering, Colorado School of Mines, United States of America

WORKING EXPERIENCE AND OCCUPATION

- 1997 Project/Sales Engineer, Best Waste Treatment Technologies Sdn. Bhd.
- 1997 to 1998 Sales Engineer, Metertek Schlumberger Sdn. Bhd.
- 1998 to 1999 Drilling Fluids Engineer, Kota Minerals and Chemicals Sdn. Bhd.
- 1999 to 2001 Sales Executive, Roxar (M) Sdn. Bhd.
- 2001 to 2004 Account Manager, Baker Oil Tools Malaysia
- 2004 to 2007 District Manager, Baker Oil Tools Malaysia
- 2007 to 2008 District Manager, Baker Oil Tools Brunei
- 2008 to 2009 Operations/Marketing Manager, Baker Hughes Thailand
- 2010 to 2011 Vice President of Sales, Uzma Engineering Sdn. Bhd.
- 2011 to 2015 Region Business Development Manager, Weatherford MENA
- 2015 to 2016 Global Business Director, Weatherford
- 2016 to 2018 Executive Vice President, Uzma Berhad
- 2018 to August 2023 Chief Executive Officer, Setegap Ventures Petroleum Sdn. Bhd.
- September 2023 to Present Chief Executive Officer, Group Production Solutions, Uzma Engineering Sdn. Bhd.

Other Directorship in Other Public Companies and Listed Issuers:

- NIL

Any Family Relationship with Any Director and/or Major Shareholder of the Listed Issuer:

- NIL

Any Conflict of Interest or potential conflict of interest, including interest in any competing business with the Listed Issuer or its subsidiaries:

- NIL

List of Convictions for Offences within the Past 5 Years and Particulars of Any Public Sanction or Penalty Imposed by the Relevant Regulatory Bodies during the Financial Year (Other Than Traffic Offences, If Any):

- NIL



AHMAD YUNUS BIN ABD TALIB

GROUP CHIEF BUSINESS IMPROVEMENT

• 54 • Malaysian • Male

DATE OF JOINED

• 14 July 2008

QUALIFICATIONS

- Bachelor of Sciences in Mechanical Engineering, University of Wisconsin-Madison, United States of America
- Enterprise Risk Advisor from Institute of Enterprise Risk Practitioners (IERP)

WORKING EXPERIENCE AND OCCUPATION

- 1993 to 1995 R&D Engineer, Motorola
- 1995 to 2008 Various positions of increasing responsibility in production operations and project management, ExxonMobil
- 2008 to 2014 General Manager of Production Optimisation & Operation Services, Uzma Engineering Sdn Bhd
- 2014 to 2016 Project Delivery Manager & Operations Manager for Tanjong Baram Risk Services Contract, Uzma Engineering Sdn. Bhd.
- 2016 to 2017 Project Director for Uzma's Water Injection Project, Uzma Engineering Sdn Bhd
- 2017 to 2019 Chief Executive Officer, Production Solutions Division, Uzma Engineering Sdn Bhd
- 2017 to 2020 Executive Director, Uzma Berhad
- 2019 to 2023 Chief Executive Officer, Late Life Assets & Decommissioning Division, Uzma Engineering Sdn Bhd
- 2020 to 2023 Chief Executive Officer, PT Uzma
- 2020 to Present Chairman of Procurement Tender Committee, Uzma Berhad
- 2021 to Present Industry Advisory Panel for Mechanical Engineering Department, University Technology Petronas
- 2022 to Present Group Chief Business Improvements, Uzma Berhad

Other Directorship in Other Public Companies and Listed Issuers:

- NIL

Any Family Relationship with Any Director and/or Major Shareholder of the Listed Issuer:

- NIL

Any Conflict of Interest or potential conflict of interest, including interest in any competing business with the Listed Issuer or its subsidiaries:

- NIL

List of Convictions for Offences within the Past 5 Years and Particulars of Any Public Sanction or Penalty Imposed by the Relevant Regulatory Bodies during the Financial Year (Other Than Traffic Offences, If Any):

- NIL

SECTION

04

OUR
SUSTAINABILITY
JOURNEY





ABOUT THIS STATEMENT

Sustainability forms a fundamental aspect of Uzma Berhad (“Uzma” or “Company”) and its group of companies (“Uzma Group” or “Group”), as such, it is committed to communicating its economic, social and governance (“ESG”) performance in a transparent manner.

This Sustainability Statement (“Statement”) offers an overview of the Company’s sustainability journey and practices for the financial year ending 30 June 2024 (“FY2024”). It outlines our strategic approach to addressing sustainability risks, challenges, and opportunities to create long-term economic, environmental, and social value.

We continue to refine various aspects of our economic, social and governance approaches throughout FY2024.

REPORTING PERIOD AND COVERAGE

The coverage of this statement is from 1 July 2023 to 30 June 2024, coinciding with the Company’s financial year end of 30 June 2024 and following an annual cycle.

Historical data might be included in specific disclosures to highlight trends and offer readers a clearer understanding of the comparative performance achieved.

For the year under review, there have been no significant changes in the Group’s leadership, ownership or supply chain.

REPORTING SCOPE AND BOUNDARIES

The Sustainability Statement for FY2024 covers the Uzma Group. Our reporting follows the principle of operational control, focusing on subsidiaries, assets, offices, and activities where Uzma exercises management control over policies and practices.

REPORTING FRAMEWORK AND STANDARDS

This statement has been prepared in accordance to the Global Reporting Initiative (“GRI”) Standards, with recommendations from Bursa Malaysia Securities Berhad’s Main Market Listing Requirements (“MMLR”), Bursa Malaysia’s Enhanced Sustainability Reporting Guide 3rd Edition, Task Force on Climate-Related Disclosure (“TCFD”), FTSE4Good and the United Nations Sustainable Development Goals (“UNSDGs”).

SUSTAINABILITY GOVERNANCE

The Board Sustainability and Risk Management Committee (“SRMC”) was established on December 1, 2023, and is composed of three Independent Non-Executive Directors from Uzma’s Board of Directors. The SRMC is responsible for reviewing, evaluating, reporting, and making recommendations to the Board on matters related to sustainability and risk management. The committee is scheduled to meet at least twice a year. Chief Business Improvements Officer leads the management of sustainability and risk.



REPORTING APPROACH

This Statement provides an overview of Uzma Group's sustainability performance. In shaping its content, we prioritised material topics by conducting a comprehensive review of sustainability risks and opportunities. This review was informed by macroeconomic analysis, emerging sustainability trends, and insights from senior management. Additionally, stakeholders' concerns, perspectives, and key expectations played a vital role in the materiality assessment, allowing the Group to realign its sustainability strategy and ensure transparent reporting on critical issues.

STATEMENT OF ASSURANCE

The financial data presented in this statement, also disclosed in the Financial Statements section of this Annual Report, has been audited and verified by the Group's external auditors, Messrs. Al Jafree Salihi Kuzaimi PLT. While the non-financial data within this statement has yet to be externally assured, Uzma is considering obtaining external assurance for future reporting.

LIMITATIONS

The Group recognises the challenges involved in gathering data and is consistently working to develop a more robust data tracking and collection mechanism for improved reporting in the future.

FORWARD-LOOKING STATEMENTS

This Statement includes forward-looking statements regarding Uzma's targets, future plans, operations, and performance. These statements are rooted in reasonable assumptions derived from current business trajectories. However, it is important to acknowledge that the Group's business is consistently subject to risks and unforeseen events beyond our control. Consequently, readers are advised not to rely solely on these statements, as actual results may vary.

SUSTAINABILITY STATEMENT FEEDBACK

Uzma welcomes your feedback on this statement and suggestions for improving our sustainability performance. Please send your comments or questions to Group Communications at communications@uzmagroup.com.

A MESSAGE FROM THE MD/GROUP CEO

DRIVING SUSTAINABILITY

Dear Stakeholders,

It gives me great pleasure to present Uzma's Sustainability Statement for the Annual Report 2024. This Statement highlights our unwavering commitment to shaping a better future for our environment, our people, and our communities and provides an overview of our sustainability performance for FY2024.

At Uzma, sustainable business practices, which are deeply embedded in our uzmaWAY values, are fundamental to the long-term viability of our organisation and the well-being of the environment. Looking back on the past year, I am proud to share an in-depth review of Uzma's sustainability performance and achievements. Our journey is one of continuous improvement, dedicated to embedding sustainability into the core of our business operations. As we navigate an increasingly complex global landscape, our focus remains on enhancing our decision-making processes and ensuring resilience.

In a time when addressing the climate crisis, promoting social equity, and upholding responsible governance are crucial, Uzma is steadfast in its commitment to driving a sustainable future. We are acutely aware of the significant impact of our operations on the global environment, which strengthens our resolve to uphold our sustainability commitments. Uzma Berhad is deeply committed to adhering to internationally recognised frameworks and standards that guide our sustainability efforts. Transparency, accountability, and comprehensive reporting are essential to demonstrating our dedication. Therefore, we are actively aligning our practices with the GRI, the TCFD, and the UNSDGs. These frameworks help ensure that our sustainability initiatives are robust, transparent, and aligned with global standards.

In response to growing concerns about climate change and the importance of ESG factors, our Board of Directors and Management are intensifying their focus on risk management and sustainability performance. We are committed to developing and implementing comprehensive ESG programs that not only ensure our long-term sustainability but also enhance our ability to adapt to a dynamic business environment. Our commitment to renewable energy is a cornerstone of our strategy for sustainable growth. A significant part of this approach is the energisation of the Kuala Muda Large Scale Solar 4 project (50MWac / 73,300 kWp), which provides a steady and long-term contribution to our sustainability efforts. Uzma also completed and owned two additional Net Energy Metering solar projects in FY2024 for a combined capacity of 1,021 kWp. This is an addition to an existing 420 kWp solar project that Uzma also owned.

Over the past year, we have made substantial progress toward our sustainability goals. We have enhanced operational efficiency to reduce our carbon footprint, increased our use of renewable energy, and adopted more sustainable practices across our operations. These efforts are vital for supporting Malaysia's emission reduction targets and aligning with PETRONAS's Net Zero Carbon Emission roadmap, which is one of our strategic stakeholders. Our commitment extends beyond our operations to our supply chain, where we collaborate closely with partners to promote sustainable sourcing and reduce waste.

On 1 December 2023, Uzma Berhad established the SRMC. The formation of the SRMC underscores our commitment to integrating sustainability into our core operations, enhancing our reputation, stakeholder trust, and regulatory compliance. Our dedication to occupational health and safety is reflected in our extensive safety measures, staff development programs, and workplace wellness initiatives. As of June 2024, we have achieved an impressive 8.9 million man-hours without any fatalities or Lost Time Incidents ("LTI") in FY2024.

In line with our commitment to enhancing our company's capabilities, we are dedicated to fostering inclusion, equity, and diversity. These values are central to our ethical conduct and governance, creating a workplace environment where every individual's unique contributions are valued. To further bolster the social aspect of our company, we are introducing new initiatives focused on employee well-being, community engagement, and social responsibility, with additional details provided in this statement. Our robust corporate governance structure, anti-corruption measures, and internal controls ensure transparency, accountability, and adherence to all relevant laws, regulations, and industry standards.

As we look to the future, I am confident that Uzma Group is well-positioned to achieve sustainable growth and make a lasting positive impact. Our commitment to sustainability is steadfast, and we will continue to integrate responsible practices into every facet of our operations. We recognise that there is still much work to be done, but by collaborating with our stakeholders, partners, and communities, we will drive innovation, minimise our environmental footprint, and contribute to a better, more sustainable world.

Thank you for your ongoing support and dedication to our shared vision. Together, we can build a future that is not only prosperous but also sustainable for generations to come.

Dato' Kamarul Redzuan B. Muhamed

Managing Director/Group Chief Executive Officer ("MD/GCEO")

HIGHLIGHTS OF SUSTAINABILITY PERFORMANCE

IN FY2024

RM 600 MILLION REVENUE **RM 225** MILLION TOTAL PROCUREMENT VALUE **0** MAJOR ENVIRONMENTAL SPILLS
43% OF MATERIALS SOURCED LOCALLY

416 kWh TOTAL ENERGY CONSUMPTION AT UZMA TOWER AND UZMA ENGINEERING LABUAN

885 TOTAL EMPLOYEES **21%** WOMEN **79%** MEN **15%** MANAGEMENT

0 LOST TIME INCIDENT 'LTI' **8.9** MILLION MANHOURS WITHOUT 'LTI' **1702** DAYS OF LTI FREE DAYS **0** FATALITIES

28 THOUSAND TRAINING HOURS **RM 2** MILLION INVESTED IN TRAINING **15** BENEFICIARIES OF THE INVESTMENT IN COMMUNITIES
RM 41 THOUSAND TOTAL CONTRIBUTION TO COMMUNITY PROJECTS

ZERO
 ▸ BRIBERY AND CORRUPTION CASE REPORTED
 ▸ BREACH OF CONDUCT
 ▸ INCIDENCE OF CUSTOMER DATA BREACHES

8 UNSDGS ADOPTED



INTRODUCTION

At Uzma, sustainability is ingrained in everything we do. We are dedicated to delivering value and making a positive impact on all our stakeholders through responsible and transparent business practices, minimizing environmental footprints throughout our service lifecycle and addressing the economic, environmental and social challenges we face, all in pursuit of a sustainable future. In addition, we strive to enhance the social and economic well-being of those connected to our operations, reflecting Uzma’s shared values.



SUSTAINABILITY VISION

To be a regional leader in sustainable energy and technology, driving positive change for the planet and society.



SUSTAINABILITY MISSION

ENVIRONMENTAL

Environmental Stewardship and Sustainable Practices

Minimise environmental and maximise resource efficiency in all operations

SOCIAL

Social Responsibility and Community Engagement

Enhance social well-being and empower communities through responsible business practices

GOVERNANCE

Ethical Business Conduct and Transparency

Uphold the highest ethical standards and strong corporate governance practices



SUSTAINABILITY THEMES & VALUE PROPOSITION

Providing innovative, eco-friendly solutions to address climate challenges

Fostering thriving, inclusive communities where we operate

Building trust and integrity in all our relationships and communities partnerships



IDENTIFIED MATERIAL TOPICS

Emissions Management
Energy Management
Waste Management
Water and Effluent Management

Employment Opportunities
Occupational Safety and Health
Labour Practices and Human Rights
Corporate Social Responsibility

Ethical Business and Practices
Data Privacy and Security
Training and Development
Diversity and Equal Opportunities



uzmaWAY VALUES

Figure 1: Uzma’s Sustainability Framework

We integrate sustainable business practices, corporate citizenship, and environmental stewardship into our long-term strategy and day-to-day operations. Furthermore, we are committed to reducing our operational carbon emissions. Our uzmaWAY core values serve as the foundation for our sustainability journey, aligning with the vision, shared principles, and commitments of the UNSDGs.

INTEGRATING SUSTAINABILITY THROUGHOUT OUR OPERATIONS

Uzma is committed to providing sustainable value for all stakeholders while prioritising safety, security, and social responsibility. We achieve this commitment by:

- Minimising our environmental impact throughout the lifecycle of our projects; and
- Creating social and economic benefits for individuals connected to our business operations, in line with Uzma's core values.

Uzma's approach to sustainability is integrated across the business on three distinct levels:

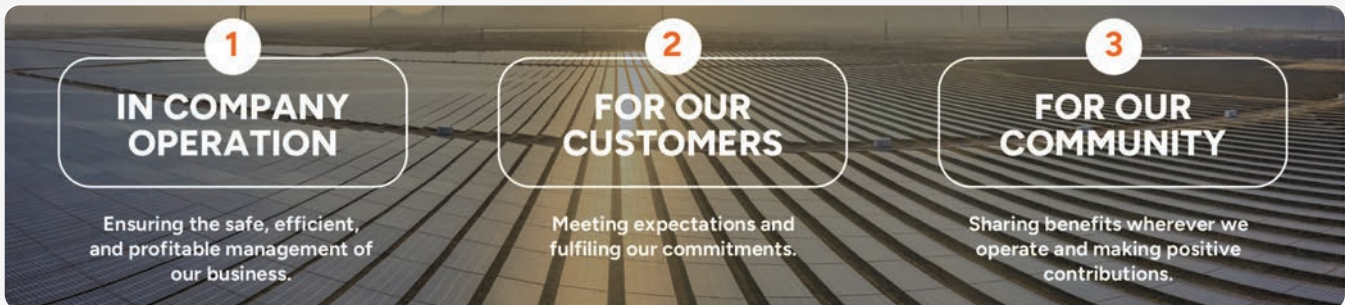


Figure 2 : Core Pillars of Our Commitment

SUSTAINABILITY GOVERNANCE

Uzma's sustainability governance structure aligns with the Malaysian Code on Corporate Governance ("MCCG") and adheres to three core principles: fostering meaningful stakeholder relationships, ensuring effective audit and risk management and maintaining integrity in corporate reporting, board leadership and effectiveness. These principles built on sound corporate values are integrated into Uzma's economic, environmental, and governance practices to address material matters effectively. The Group complies with the MCCG guidelines, as outlined in the Corporate Governance Overview Statement of this Annual Report.



Board leadership and effectiveness



Effective audit and risk management and integrity in corporate reporting



Meaningful relationships with stakeholders

Figure 3: Uzma's Principles of Good Governance in Sustainability

GOVERNANCE STRUCTURE

A strong governance structure forms the foundation for our sustainable practices and responsible operations. The Board of Directors is responsible for the Group's governance structure, providing strategic direction and shaping Uzma's corporate strategy, ensuring it integrates key aspects of our material sustainability matters.

Our senior management team leads the development and execution of our sustainability strategy, ensuring its integration across the organisation, ensuring alignment in various functional areas.



Figure 4: Uzma's Sustainability Governance Structure

GOVERNANCE ROLES AND RESPONSIBILITIES

The roles and responsibilities within Uzma’s sustainability governance framework are designed to ensure transparency, accountability and ongoing enhancement of the Company’s sustainability initiatives.

BOARD OF DIRECTORS

Ultimate Oversight

- Set the strategic direction for Uzma, taking into account material sustainability matters.
- Ensure alignment of corporate strategy with sustainability goals.
- Review and approve sustainability-related policies and initiatives.
- Monitor and report on the company’s overall sustainability performance.
- Establish clear accountability for sustainability within the organisation.
- Engage with stakeholders on sustainability issues.

BOARD SUSTAINABILITY AND RISK MANAGEMENT COMMITTEE

Strategic Review and Monitoring

- Development and implementation of strategies, including sustainability strategies and governance structure.
- Business plans and key initiatives of Uzma Group, incorporating sustainability considerations.
- Risk management framework, policies, and practices addressing various risks, including sustainability and climate-related risks.

OVERSIGHT COMMITTEE

Strategy Development and Implementation

- Management-level committee, chaired by the MD/GCEO
- Develop, coordinate, and implement Uzma’s sustainability strategy.
- Embed sustainability into all facets of the organisation’s operations.
- Ensure cross-functional alignment of sustainability initiatives.
- Monitor and report on sustainability performance to the Board and stakeholders.
- Engage with operational management to execute sustainability goals.
- Identify opportunities for innovation and improvement in sustainability practices.

OPERATIONAL MANAGEMENT

Execution and Integration

- Execute sustainability goals and initiatives within day-to-day operational activities.
- Collaborate with Oversight Committee to ensure alignment with sustainability objectives.
- Report progress on sustainability targets to Oversight Committee.
- Identify and address sustainability-related challenges within specific operations.
- Implement sustainable practices and initiatives at the operational level.
- Engage with employees and teams to promote sustainability awareness and best practices.

TABLE 1: ROLES AND RESPONSIBILITIES IN UZMA’S SUSTAINABILITY GOVERNANCE STRUCTURE

EMBEDDING SUSTAINABILITY INTO RISK MANAGEMENT PRACTICES

In recent years, corporate decision-making has increasingly prioritised sustainability, especially at the Board level, recognising its role in long-term value creation. At Uzma, we view sustainable practices as both a strategic necessity and a moral imperative, guiding our business conduct.

The SRMC that was established on 1 December 2023 shall convene at least twice a year. Its primary purpose is to ensure the development and implementation of a robust risk management framework, an efficient internal control system and a comprehensive sustainability strategy.

We strive to fully integrate sustainability into our risk management framework, offering a comprehensive view that assesses the impact and likelihood of sustainability-related risks, guiding the Board and Management in their decision-making process that balances sustainability with profitability. This further solidifies Uzma as a responsible and forward-thinking industry leader where sustainability and business success go hand in hand.

STAKEHOLDER ENGAGEMENT

At Uzma, we view all our stakeholders as partners, hence, stakeholder communication and engagement are key to maintaining our reputation as a responsible and trustworthy business entity. The Group is committed to fostering long-lasting relationships while creating non-financial ESG values. To accomplish this, we actively seek and respond to feedback on material matters, enabling the continuous refinement of our sustainability approach.

Uzma maintains an open dialogue through consistent two-way communication, enabling the development and management of tailored solutions to meet stakeholder expectations and concerns. We actively engage with diverse stakeholder groups, including employees, customers, investors, regulators, authorities, vendors, suppliers and the media. These relationships are founded on honesty, transparency, and long-term commitment, ensuring the company's success by understanding and addressing stakeholder needs.

The table below provides a comprehensive overview of Uzma's approach to stakeholder engagement:



Stakeholder Groups	Our Commitment	Method of Engagement	Areas Of Interest
Investors & Shareholders	We are committed to delivering value to our investors and shareholders through consistent growth and financial performance. We prioritise transparency, accountability, and adherence to corporate governance standards. We aim to provide timely and accurate financial information.	<ul style="list-style-type: none"> Annual and quarterly financial reports and investor presentations Annual and quarterly results briefings Annual General Meeting ("AGM") Announcements to Bursa Malaysia Updates on Investor Relations section of the Company's website Press release and media coverage Shareholder feedback surveys and channels for questions and concerns 	<ul style="list-style-type: none"> Financial performance and returns on investments Corporate governance and adherence to regulatory requirements Strategic direction and business outlook Risk management and mitigation strategies Sustainable business practices and ESG performance Innovation and growth opportunities Ethical and responsible corporate behavior
Employees	We are committed to maintaining a safe, inclusive, and engaging work environment where employees are motivated to thrive. We prioritise their physical and mental well-being, career growth, and professional development. Employees are vital contributors to our success, and we are dedicated to fostering their satisfaction and overall job experience.	<ul style="list-style-type: none"> Employee onboarding programme Regular staff meetings and feedback mechanisms Employee surveys to gauge satisfaction and identify areas for improvement Training and development programs Town hall meetings Festive celebrations and staff gatherings Internal communication for updates and information sharing Performance reviews and goal-setting sessions Engagement in Corporate Social Responsibility ("CSR") activities Management site visits and interaction 	<ul style="list-style-type: none"> Workplace health and safety Professional growth and development Work-life balance Career opportunities and advancement Employee satisfaction and engagement Communication and feedback mechanisms Ethical business practices Community involvement and CSR initiatives Relationship with management and leadership

Stakeholder Groups	Our Commitment	Method of Engagement	Areas Of Interest
Clients	We are committed to delivering high-quality products and services that meet our clients' needs and expectations. We aim to build lasting, mutually beneficial relationships with our clients. We prioritise transparency, reliability, and exceptional customer service.	<ul style="list-style-type: none"> • Regular meetings with clients to discuss projects and performance • Ongoing communication channels, including email and phone support • Feedback and satisfaction surveys • Participation in industry events and exhibitions • Customised solutions and tailored service offerings • Quality certification audits • Regulatory site visits and audits 	<ul style="list-style-type: none"> • Business growth • Project delivery, quality and efficiency • Timely and responsive customer service • Innovative solutions and technology • Health, safety and environmental considerations • Long-term partnerships and collaboration • Ethical business practices and sustainability
Government & Regulatory Authorities	We are committed to strict adherence to all relevant laws, regulations, and industry standards. We actively collaborate with government and regulatory authorities to ensure compliance and promote a culture of governance and transparency.	<ul style="list-style-type: none"> • Regular reporting – financial reporting, safety compliance, and environmental impact assessments • Formal and informal meetings to discuss industry-specific issues, address concerns, and seek guidance on compliance • Contribute industry knowledge and expertise to help shape policies • Written and email communications 	<ul style="list-style-type: none"> • Compliance to regulatory requirements • Safety and environmental compliance • Industry advancement • Government initiatives
Vendors & Suppliers	We are committed to building strong, mutually beneficial relationships with our vendors and suppliers. We aim to foster transparency, trust, and fairness in all our interactions. We acknowledge the significance of our vendors and suppliers in achieving our sustainability goals.	<ul style="list-style-type: none"> • Regular communication through meetings, emails, and calls • Collaboration on joint initiatives, innovation, and problem-solving • Vendor performance assessments and feedback sessions • Compliance with our Vendor Code of Conduct and Business Ethics ("COBE") and ethical sourcing practices • Participating in industry-specific events and forums • Providing timely payments and ensuring a fair and transparent procurement process 	<ul style="list-style-type: none"> • Quality and reliability of products and services • Adherence to Uzma's sustainability and ethical standards • Continuous improvement in cost-effectiveness and operational efficiency • Open dialogue for addressing concerns and resolving issues • Mutual growth and development opportunities • Supply chain sustainability and environmental impact • Technological advancements and innovation • Regulatory compliance and safety standards

Stakeholder Groups	Our Commitment	Method of Engagement	Areas Of Interest
Local Communities	We are committed to actively engaging with local communities where we operate. We aim to contribute positively to the well-being and development of these communities by identifying their needs and collaborating with them on various initiatives.	<ul style="list-style-type: none"> Corporate Social Responsibility ("CSR") initiatives Addressing specific community needs 	<ul style="list-style-type: none"> Overall development of the local community related to education, healthcare, infrastructure, and livelihood opportunities Environmental projects that promote sustainable practices and protect local ecosystems Preserving local culture and heritage Address health and safety concerns
Board of Directors	We are dedicated to ensuring strong corporate governance and transparent operations. We aim to provide the Board of Directors with comprehensive and accurate information. The Board plays a crucial role in overseeing and guiding our business strategy.	<ul style="list-style-type: none"> Regular Board meetings and updates Strategy and performance presentations to the Board Participation in AGM Collaboration on strategic planning and decision-making Annual performance evaluations and reviews 	<ul style="list-style-type: none"> Corporate strategy and long-term planning Financial performance and accountability Regulatory compliance and governance Risk management and mitigation Transparency in reporting and communication Strategic objectives and goals Stakeholder engagement and relationships Sustainable and ethical business practices
Analysts & Media	We are committed to providing accurate, timely, and transparent information to analysts and media professionals. We aim to facilitate a clear understanding of our business, strategies, and performance. We recognise the importance of a positive and constructive relationship with analysts and media to enhance our reputation.	<ul style="list-style-type: none"> Regular briefings, interviews, and meetings with industry analysts Distribution of press releases, corporate updates, and relevant reports Active engagement through social media platforms and official website Responding to media inquiries and providing access to key spokespersons 	<ul style="list-style-type: none"> Financial performance and results analysis Business strategy, market positioning, and growth prospects Operational updates, including project developments and milestones Industry insights, trends, and competitive analysis ESG and sustainability initiatives and performance Regulatory compliance and corporate governance practices Technology innovations and research and development Corporate social responsibility and community involvement

Stakeholder Groups	Our Commitment	Method of Engagement	Areas Of Interest
Financial Institutions	We are dedicated to maintaining financial integrity and transparency in all our operations with financial institutions. We commit to fulfilling financial obligations and responsibilities diligently.	<ul style="list-style-type: none">• Annual and quarterly financial reports• AGM• Discussions and consultations with financial institutions to address financial matters	<ul style="list-style-type: none">• Financial agreements• Financial compliance to regulations, standards and requirements• Financial stability

TABLE 2: UZMA’S STAKEHOLDER ENGAGEMENT OVERVIEW

STAKEHOLDER PRIORITISATION MATRIX

At Uzma, our Stakeholder Prioritisation Matrix is a critical tool designed to guide and optimise our engagement with various stakeholder groups. This matrix allows us to systematically assess and rank stakeholders based on their level of influence, the impact of our operations on them, and the significance of their concerns to our business. By prioritising stakeholders in this manner, we ensure that our engagement efforts are both strategic and responsive, addressing the most pertinent issues and fostering meaningful relationships. This structured approach helps us align our strategies with stakeholder expectations, enhance collaboration, and drive mutual value creation. The matrix remains a cornerstone of our commitment to transparent and effective stakeholder engagement, supporting our ongoing dedication to sustainable and responsible business practices.

While our stakeholder prioritisation matrix has remained consistent, Uzma has made significant strides in enhancing its engagement efforts in FY2024. This has led to strengthened collaborations and deeper partnerships. Our continued focus on advancing stakeholder engagement reflects our unwavering commitment to sustainable business practices, further reinforcing our dedication to creating lasting value for all stakeholders.

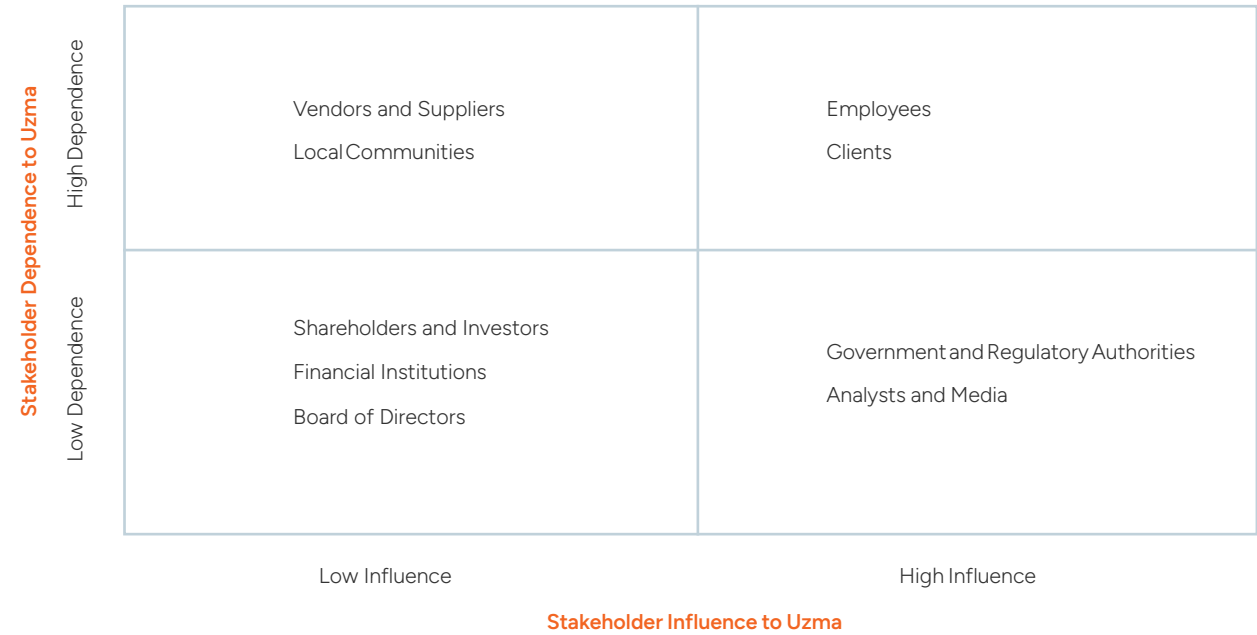


Figure 5: Uzma’s Stakeholder Prioritisation Matrix



UZMA'S ACTIVE ENGAGEMENT IN INDUSTRY ASSOCIATIONS AND COLLABORATIVE INITIATIVES

Uzma has been actively participating in various industry associations, universities, and trade events in the energy and technology sector. Our involvement keeps us informed on industry developments, participates in discussions and contribute our expertise in shaping the future of the industry, as highlighted in the following table.



The Malaysian Oil & Gas Services Council ("MOGSC")

Uzma proudly holds membership in MOGSC, an instrumental and unifying force dedicated to advancing the growth, competitiveness, and sustainability of the Malaysian oil and gas services sector. Actively engaged in MOGSC's initiatives, Uzma consistently participates in the council's diverse range of events and activities.



Malaysia Petroleum Resources Corporation ("MPRC")

MPRC holds a central position in driving the expansion and progression of Malaysia's oil and gas services and equipment ("OGSE") industry. At Uzma, we recognise the significance of MPRC's contributions and actively engage in the corporation's events and workshops, with our MD/GCEO playing a dynamic role in these initiatives.



Malaysian Industry-Government Group for High Technology ("MIGHT")

MIGHT's paramount objective is to establish Malaysia as a leading high-technology hub, nurturing economic growth, enhancing competitiveness, and driving innovation across diverse sectors. The organisation serves as a dynamic catalyst, propelling the development and widespread adoption of state-of-the-art technologies and solutions. This, in turn, significantly contributes to Malaysia's technological progress and bolsters the nation's global competitiveness. Uzma, in alignment with this vision, enthusiastically engages in MIGHT's events and multiple formal collaborations, actively participating in initiatives that shape the future of high technology in the country.



Malaysian Gas Association ("MGA")

Uzma is proudly holds membership in MGA, a key organisation at the heart of Malaysia's natural gas industry. MGA assumes a central role in championing the growth of the sector, overseeing safety and compliance standards, promoting sustainability, and facilitating valuable collaboration and knowledge exchange among industry stakeholders.



Universiti Teknologi Petronas ("UTP")

Uzma has established a strategic partnership with UTP to collaboratively engage in cutting-edge research and development initiatives. At times, our MD/GCEO advises the university, offering valuable insights and expertise. Our Chief Business Improvements Officer is a member of the Industrial Advisory Panel for the Mechanical Engineering Department. Furthermore, Uzma is dedicated to supporting UTP's various events and student-driven initiatives, reinforcing our commitment to fostering a dynamic and mutually beneficial relationship with this esteemed institution. In FY2024, Uzma sponsored one of the academic awards for the final year students.



Universiti Malaysia Terengganu ("UMT")

Since 2017, Uzma has forged a collaborative partnership with UMT on a remarkable underwater archaeological research project. This collaborative effort is driven by our shared commitment to preserving history and uncovering the past. Notably, the project has yielded significant discoveries, including the recovery and preservation of ceramic artifacts from a shipwreck site located off the shores of Pulau Bidong, Terengganu. This invaluable endeavours not only safeguards our historical heritage but also sheds light on the maritime history of the region, bridging the gap between the past and the present.



Malaysian Space Industry Consortium ("MASiC")

MASiC endeavours to promote the development of the Malaysian space industry and create a thriving space industry ecosystem that attracts investment, talent, and partnerships from around the world, contributing to the nation's socio-economic progress. Our MD/ GCEO serves as the President of the Protem Committee of MASiC.

TABLE 3: UZMA'S PARTICIPATION AND CONTRIBUTION WITH INDUSTRY ASSOCIATIONS

MATERIAL MATTERS

Uzma’s approach to materiality is shaped by both domestic and international best practices, as well as insights from internal perspectives and key stakeholders gathered through various engagement initiatives. We integrate our sustainability agenda across all business operations by considering ESG factors. These considerations guide the development and execution of our sustainability programs, ensuring that our initiatives address the issues of greatest significance to our stakeholders.

SUSTAINABILITY MATTERS	ECONOMIC	ENVIRONMENTAL	SOCIAL	GOVERNANCE
WHAT IT MEANS TO US	Optimising our profitability to support long-term growth, innovation, and value creation. We focus on fostering economic stability by prioritising sound financial practices, ensuring the well-being of our employees, and generating returns for our shareholders. Economic sustainability empowers us to invest in the future and continue delivering quality solutions to our clients and partners.	Minimising our ecological footprint by adopting eco-friendly practices, reducing emissions, conserving resources, and implementing sustainable technologies. We work to preserve natural habitats, reduce waste, and promote biodiversity. Our aim is to mitigate environmental impact and promote a harmonious coexistence between our operations and the ecosystems we interact with.	Fostering inclusive workplaces, promoting diversity, and prioritising employee health and well-being. We actively engage with the communities where we operate, supporting social development initiatives and philanthropic efforts. Our commitment to social sustainability extends to safety, ethics, and ensuring our stakeholders feel valued and respected.	Upholding the highest standards of integrity, transparency, and accountability. We ensure that our operations adhere to laws, regulations, and best practices. Governance sustainability is pivotal to fostering trust, both within our organisation and among our stakeholders, and we continually strive to enhance our governance processes and practices.
SUSTAINABILITY ASPECTS	<ul style="list-style-type: none">• Economic Performance• Supply Chain Management	<ul style="list-style-type: none">• Emissions Management• Energy Management• Waste Management• Water and Effluent Management	<ul style="list-style-type: none">• Employment Opportunities• Occupational Safety and Health• Labour Practices and Human Rights• Corporate Social Responsibility• Diversity and Equal Opportunities• Training and Development	<ul style="list-style-type: none">• Ethical Business Practices• Data Privacy and Security

TABLE 4: SUSTAINABILITY MATTERS AND THEIR SIGNIFICANCE TO UZMA

MATERIALITY MATRIX

Uzma's Materiality Matrix is a detailed framework that assesses sustainability issues based on their significance to our organisation and their impact on stakeholder evaluations and decisions. The matrix is organised around four core pillars: Economic, Environmental, Social, and Governance. By examining these material issues on a scale from low to high impact on Uzma and from low to high influence on stakeholders, we can clearly identify which aspects are most crucial for both our operations and our stakeholders. This approach helps us prioritise our sustainability efforts, focusing on the areas that are most relevant to our business and community. It allows us to proactively address challenges and seize opportunities in these key areas.

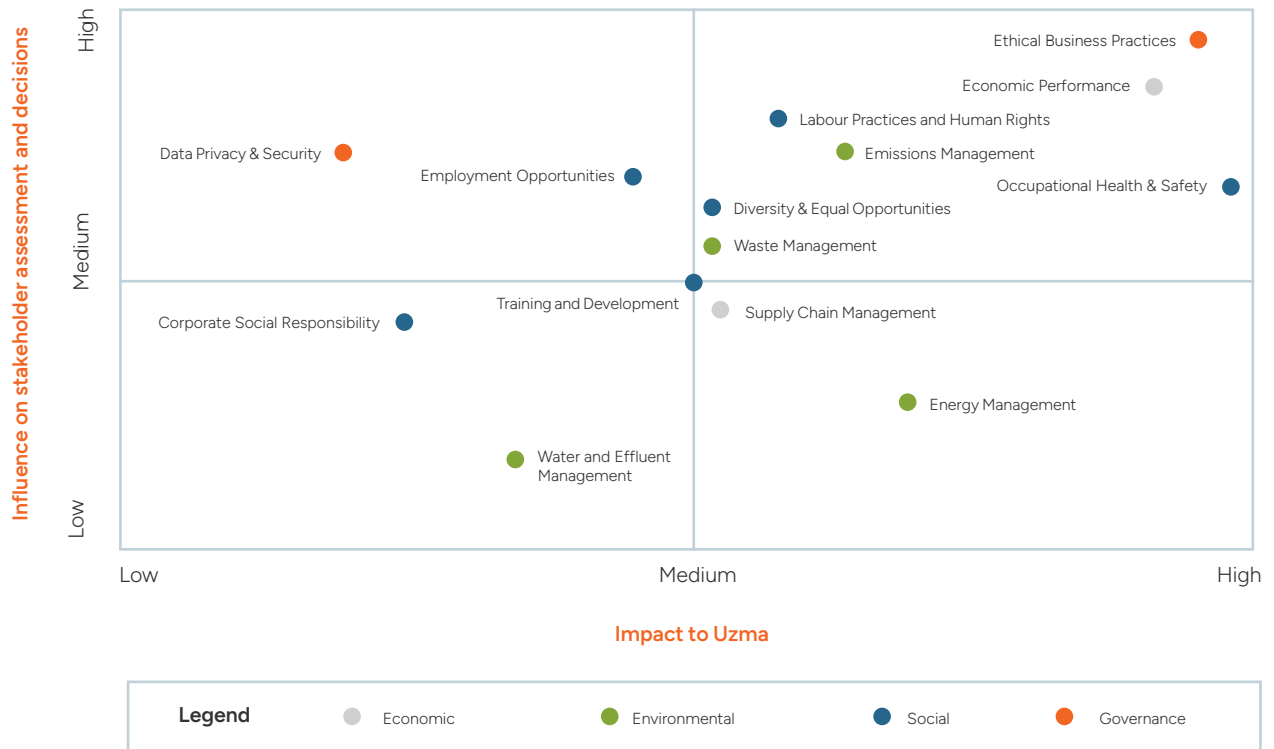


FIGURE 6: UZMA'S MATERIALITY MATRIX



ALIGNMENT WITH UNITED NATIONS

SUSTAINABLE DEVELOPMENT

GOAL (“UNSDGs”)

The 17 United Nations Sustainable Development Goals (“UNSDGs”) aim to end poverty, reduce inequality and injustice, and combat climate change. These goals form the basis of the 2030 Agenda for Sustainable Development. Uzma is committed to contributing to these initiatives and has identified eight key UNSDGs that significantly impact our sustainability strategy. We will continue to review the UNSDGs and will add more goals as the business progresses.

TABLE 5: UZMA’S COMMITMENT IN ALIGNMENT WITH THE UNSDGs



Ensure health lives and promote well-being for all at all ages

Commitment:

- Commit to reducing our greenhouse gas emissions and mitigating climate change impacts.
- Promote health and well-being initiatives among our employees and their families.
- Support healthcare access and initiatives in the communities where we operate.



Achieve gender equality and empower all women and girls

Commitment:

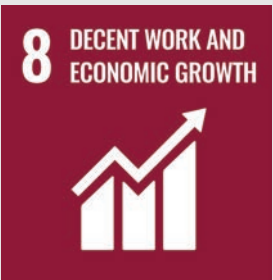
- Commit to gender diversity and equality in our workforce.
- Implement policies and practices that support women’s empowerment and leadership within the company.
- Support women’s empowerment initiatives in the communities we serve.



Ensure access to affordable, reliable, sustainable, and modern energy for all

Commitment:

- Commit to increasing energy efficiency within our operations.
- Invest in and promote the use of renewable and clean energy sources.
- Collaborate with partners to improve access to affordable and clean energy in underserved communities.



Promote sustained, inclusive, and sustainable economic growth, full and productive employment, and decent work for all

Commitment:

- Commit to creating employment opportunities and providing decent work conditions.
- Support skills development and training for our employees.
- Contribute to local economic growth through our business operations.



Build resilient infrastructure, promote inclusive and sustainable industrialisation, and foster innovation

Commitment:

- Commit to adopting innovative and sustainable technologies in our operations.
- Support research and development to enhance our industry's sustainability.
- Invest in infrastructure development that benefits both our business and the communities where we operate in.



Ensure sustainable consumption and production patterns

Commitment:

- Commit to reducing waste and improving resource efficiency.
- Promote responsible consumption practices among our employees and customers.
- Consider product life cycles and environmental impact in our product development.



Take urgent action to combat climate change and its impacts

Commitment:

- Commit to reducing our greenhouse gas emissions and mitigating climate change impacts.
- Promote climate resilience in our operations and communities.
- Advocate for climate action and collaborate with partners to address climate-related challenges.



Promote peaceful and inclusive societies for sustainable development, provide access to justice for all, and build effective, accountable, and inclusive institutions at all levels

Commitment:

- Commit to ethical and transparent business practices.
- Promote the rule of law, justice, and strong governance in the communities where we operate.

ECONOMIC

The Economic pillar of Uzma’s Sustainability Framework reflects our commitment to driving long-term growth, innovation, and value creation by optimising profitability. We focus on implementing sound financial practices, ensuring employee well-being, and delivering strong returns for our shareholders. By maintaining economic stability, we position ourselves to invest in future opportunities and consistently provide high-quality solutions to our clients and partners. Our economic sustainability initiatives are designed to promote sustainable growth and financial success, all while adhering to our core values and maintaining the highest ethical standards.

ECONOMIC PERFORMANCE

At Uzma, we recognise our responsibility to strengthen local and regional economies. As a key player in the global energy and technology sectors, we are committed to making clean, affordable, and accessible energy solutions available to communities worldwide. Uzma demonstrated remarkable financial performance in the past financial year, achieving a robust revenue growth of 27% year-on-year, totaling RM600 million. Our dedication to financial excellence is further evidenced by an impressive RM54 million in Profit After Tax (“PAT”), marking a remarkable 42% year-on-year increase. This success is complemented by RM137 million in Adjusted EBITDA, underscoring our commitment to sustainable profitability.

Additionally, our financial strength is reflected in the growth of our Total Assets and Total Equity, which increased by 18% and 15% year-on-year, respectively. These results underscore the solid financial foundation of Uzma and our commitment to long-term value creation and stability. Our focus on financial performance is further highlighted with a 20% year-on-year increase in Basic Earnings Per Ordinary Share, reaching an exceptional 11.16 sen. These achievements showcase Uzma’s dedication to delivering outstanding financial results while advancing our mission to support sustainable economic development.

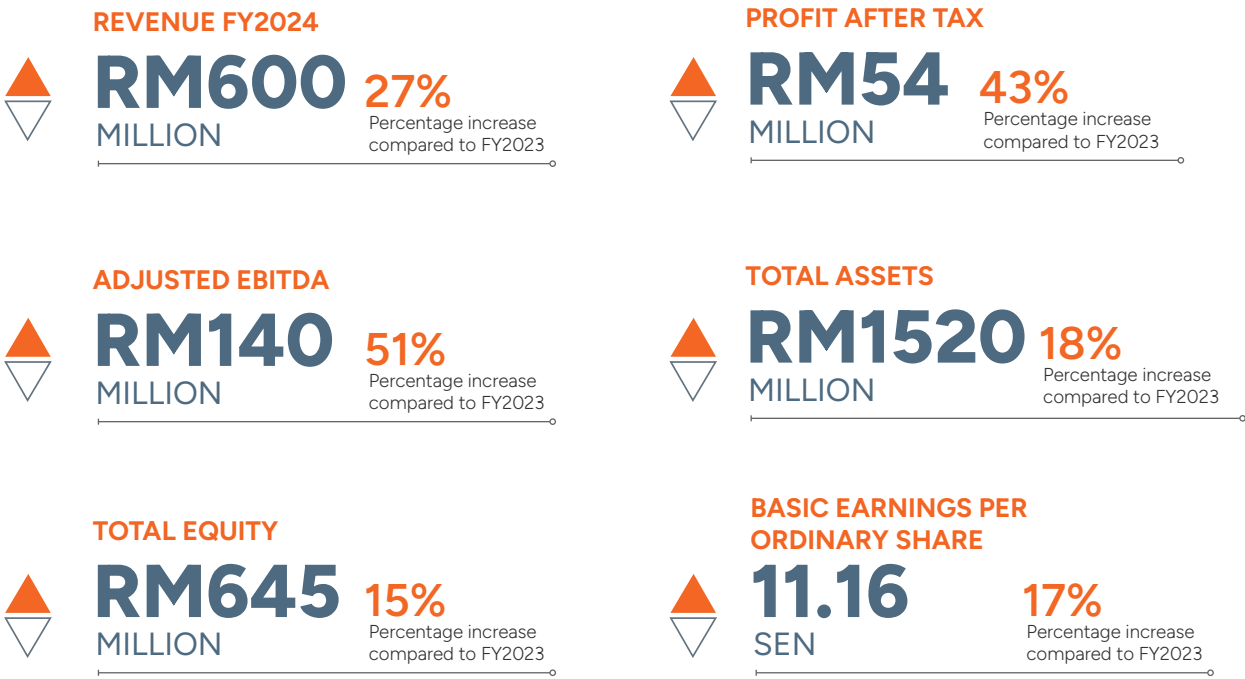


Figure 7: Financial Performance Highlights

Despite external challenges such as geopolitical tensions in Europe, ongoing conflict in the Middle East, global oil price instability, and persistent inflation, Uzma’s economic performance remained strong. This resilience is largely attributed to our strategic diversification into the New Energy, Digital Earth and Energy Trading divisions, which saw the successful energisation of Uzma Kuala Muda Sdn Bhd’s 50MWac large scale solar plant in Bukit Selambau, Sungai Petani Kedah, the development of satellite services technology and the success of our marketing, and distribution of liquified natural gas (“LNG”), petrochemicals, and related products, which will provide consistent long-term revenue. Additionally, our expansion into long-term projects like WIF2.0, already under construction, further strengthens our foundation for sustainable growth. These efforts underscore our unwavering commitment to delivering value to stakeholders and securing a bright future for Uzma and the industries we serve.

SUPPLY CHAIN MANAGEMENT

GROUP SUPPLY CHAIN MANAGEMENT POLICY

Uzma's comprehensive Group Supply Chain Management Policy, serves as the guiding framework for all supply chain and logistics activities across our organisation. From processing procurement requests to bidder selection, bidding, evaluation, inventory management, and warehouse oversight, we adhere to the highest standards and principles of procurement practice in pursuit of excellence. Our dedication to quality is reflected in our strict adherence to ISO 9001:2015 and API Q2 Quality Management System requirements, ensuring that our supply chain operations are both efficient and compliant with industry best practices and standards. Additionally cost control and contract management department plays a crucial role in developing and implementing strategic plans for both pre-contract and post-contract stages, enhancing cost management, and ensuring the smooth execution of contracts. Through these initiatives, we reinforce our commitment to maintaining the highest standards and strengthen the reliability and effectiveness of our supply chain management.

SUSTAINABLE PROCUREMENT PRACTICES

At Uzma, we are deeply committed to advancing sustainable procurement practices that align with our strategic goals of growth, risk management, and cost reduction. Our approach is designed to enhance efficiency, ensure compliance, and foster innovation while contributing to our broader sustainability objectives.

A key element of our FY2024 strategy for growth is the transition to end-to-end paperless procurement processes. By eliminating paper-based procedures, we not only increase operational efficiency but also reduce our environmental footprint. Our procurement systems are continuously evolving to enhance efficiency. This includes improvements in budget management, costing, and purchase order ("PO") closure monitoring, which collectively foster a more streamlined and effective procurement process.

Effective risk management and compliance are central to our procurement practices. We have implemented the Code of Conduct and Business Ethics ("COBE") across all vendors and business partners to ensure that ethical standards are upheld throughout our supply chain. The COBE are sent to all active vendors on a quarterly basis. Additionally, every issuance of PO by Uzma, HSE policies are included in standard Uzma Terms & Conditions to ensure suppliers adhere to health and safety standards. We actively promote awareness among our vendors and partners on our Anti-Bribery Policy. This proactive approach helps to prevent unethical practices and reinforces our commitment to integrity.

To uphold our stringent standards, we continuously review and update our procurement procedures to ensure alignment with ISO standards and full compliance with relevant regulations. As part of these enhancements, the procurement process now mandates that all purchases exceeding RM250,000 be reviewed and endorsed by the Procurement Tender Committee. Our commitment to transparency is further demonstrated through frequent audits of procurement transactions. These audits help us identify potential issues and maintain high standards of compliance. We also continuously assess and manage procurement-related risks through a dedicated risk register, which allows us to address potential challenges before they impact our operations.

Proper handling of hazardous materials is another critical aspect of our risk management strategy. We ensure that these materials are stored and disposed of properly, mitigating environmental risks and supporting our sustainability goals.

In our pursuit of cost reduction, we focus on developing and establishing framework agreements and signing Master Service Agreements ("MSA") with strategic vendors. These agreements streamline procurement processes and enable us to negotiate better terms, ultimately reducing costs. We meticulously track cost savings and cost avoidance to measure the effectiveness of our procurement strategies and ensure that our financial objectives are met.

Transparency and fairness are cornerstones of our bidding process. By maintaining a transparent and fair procurement practice, we ensure that all vendors are evaluated on merit, contributing to our supply chain's overall integrity. In this regard, we also prioritize issuing purchase orders to reputable vendors, which not only ensures the quality of the goods and services we procure but also strengthens our relationships with reliable suppliers.

Uzma's sustainable procurement practices are designed to support our strategic goals while promoting ethical behaviour, efficiency, and cost effective. By continuously enhancing our procurement processes, managing risks diligently, and focusing on cost reduction, we are committed to building a resilient and sustainable supply chain that contributes to our long-term success and supports our broader sustainability objectives.

Uzma's vendor qualifying process and vendor performance evaluations cover on quality, health, safety, and environment. In a recent contract with a shipyard, Uzma added a clause requiring the vessel to be free from asbestos. For FY2025, we will expand this further to ensure suppliers are committed to protecting the environment and preventing pollution.



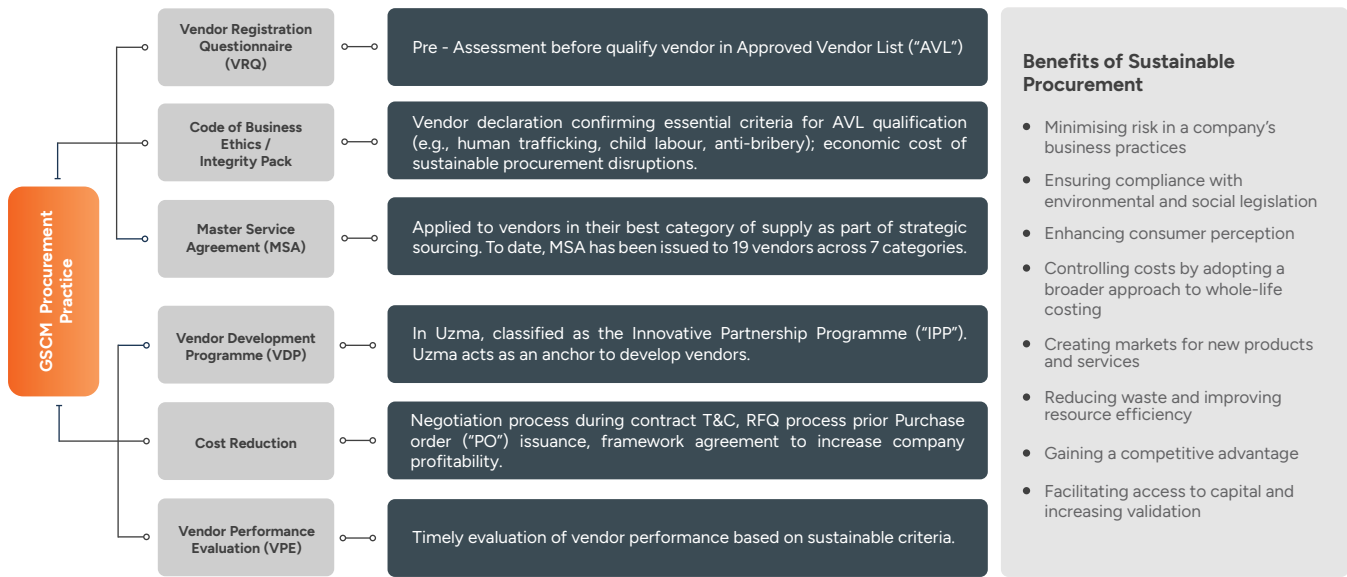


FIGURE 8: UZMA'S GROUP SUPPLY CHAIN MANAGEMENT PROCUREMENT PROCESS

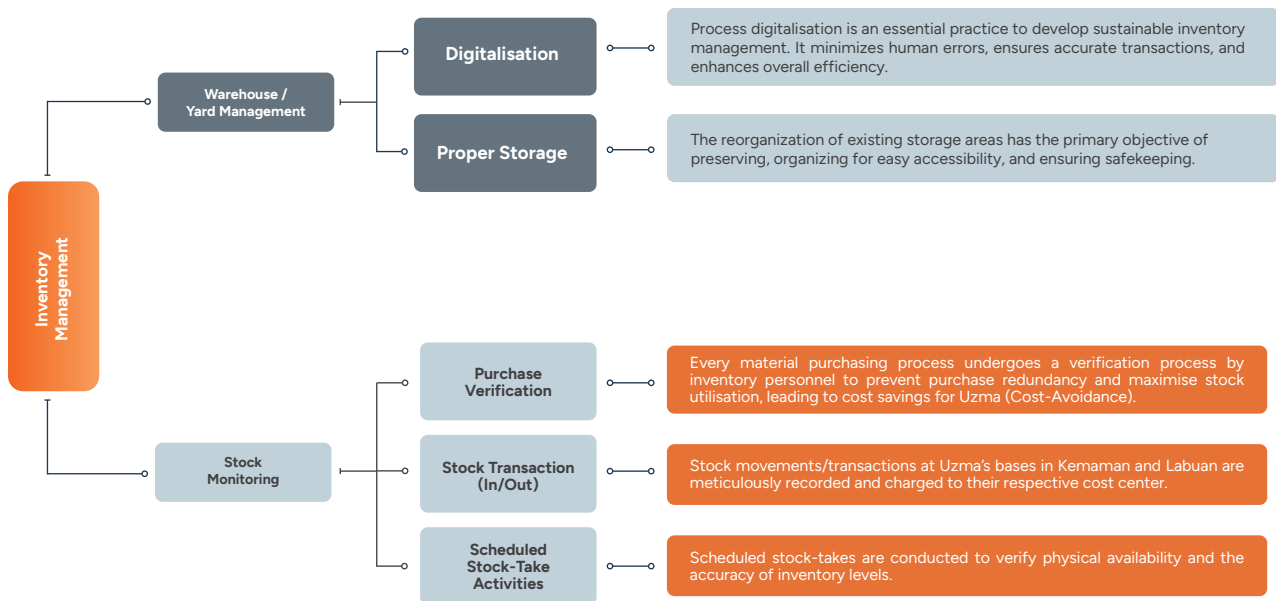


FIGURE 9: UZMA'S GROUP SUPPLY CHAIN MANAGEMENT INVENTORY MANAGEMENT PRACTICES

SUPPORTING LOCAL SUPPLIERS

At Uzma, our commitment to responsible sourcing is deeply intertwined with our dedication to strengthening local economies. In FY2024, we engaged with 367 suppliers, showcasing the strength and diversity of our procurement network. During this period, our total procurement expenditure reached RM225 million, significantly contributing to the supply chain. Notably, RM97 million was allocated to local suppliers, reflecting our strong commitment to fostering local partnerships and supporting businesses within the communities where we operate.

This approach is closely aligned with our sustainability values, underscoring our resolve to enhance the economic well-being of local suppliers. By prioritising local procurement, we not only reinforce Uzma's corporate image and reputation but also streamline supply chain processes, reduce costs, and gain greater control over procurement activities. More importantly, it drives job creation within local communities, reduces poverty, stimulates local industries, and fosters collaborative efforts with suppliers to mitigate pollution levels. We define local procurement as sourcing goods and services from suppliers within the local region.

In support of this commitment, Uzma has been appointed as an anchor company under the Ministry of Entrepreneur and Cooperatives Development's Vendor Development Programme ("VDP") to develop local vendors and also collaborated with Petronas for their VDPx program to further develop capabilities within the oil and gas industry while creating multiplier effects that benefits the industry and economy, furthering our efforts to empower local businesses within regions such as Sabah, Sarawak, and Terengganu. We actively support local suppliers by providing quarterly updates to the Ministry of Investment, Trade and Industry on our spending with local vendors and sharing detailed information on procurement activities. Another key initiative is to prioritise overseas shipments through local forwarders, ensuring that our procurement practices continue to support local economies.

Uzma remains steadfast in its contributions to strengthening the local supply chain and advancing the national agenda for economic prosperity.

BREAKDOWN OF SUPPLIER MIX (%)

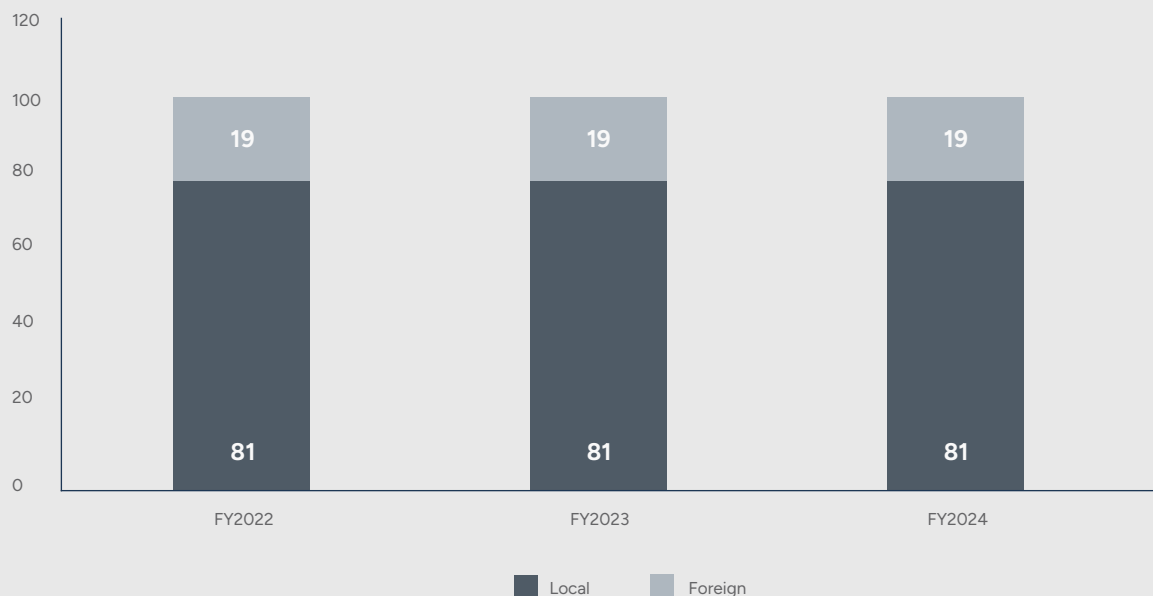


Figure 10: Supplier Mix Breakdown: Local vs. Foreign (Percentage) from FY2022 to FY2024

BREAKDOWN OF PROPORTION OF PROCUREMENT SPENDING (%)

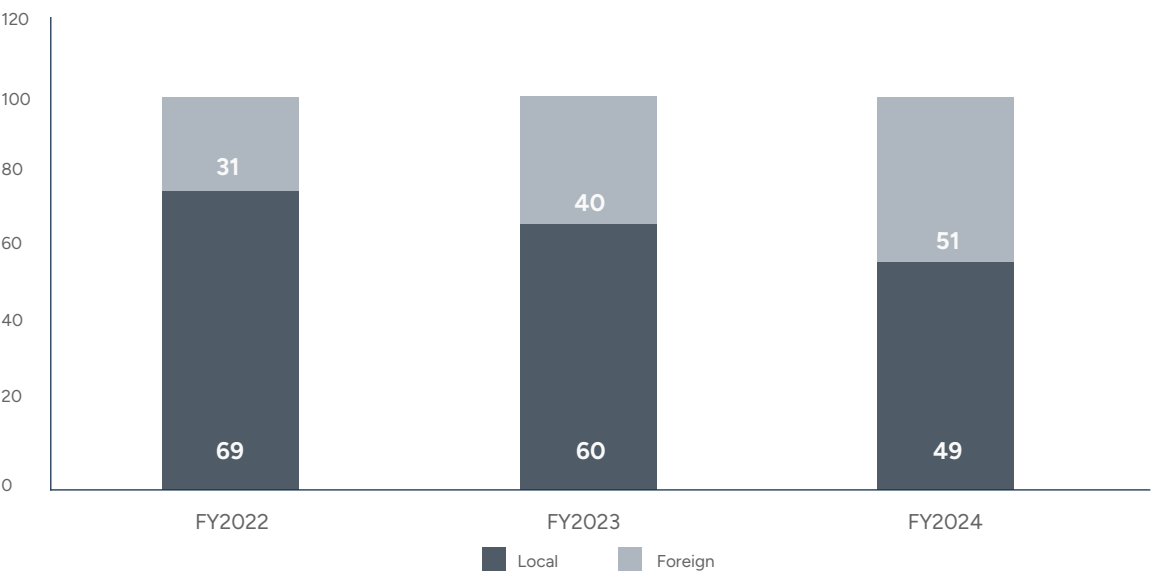


Figure 11: Proportion of Procurement Spending: Local vs. Foreign (Percentage) from FY2022 to FY2024

Strategic Vendor	Vendor Count			Purchase Order Count			Purchase Order Value		
	FY2022	FY2023	FY2024	FY2022	FY2023	FY2024	FY2022	FY2023	FY2024
Local	1,353	1,480	1,549	1,140	872	1,195	RM86.4 Million	RM56.9 Million	RM96.7 Million
Foreign	311	346	369	135	115	190	RM39.7 Million	RM37.5 Million	RM128.2 Million
TOTAL	1,664	1,826	1,918	1,275	987	1,385	RM126.1 Million	RM94.4 Million	RM224.9 Million

Table 6: Vendor and Procurement Metrics: Local vs Foreign from FY2022 to FY2024

In conjunction with Uzma’s dedication in supporting local vendors, there are significant increases in the number of PO issued to local vendors, demonstrating our commitment to supporting the local economy and strengthening community ties. For FY2024, despite the increase in number of PO awarded to local companies, the value of the purchase order awarded to foreign companies was higher due to requirement for product and services with advanced technology and requirement to purchase from the original equipment manufacturers.

COST REDUCTION EFFORTS

At the core of our responsible procurement practices is a steadfast commitment to cost reduction. We consistently assess and apply cost-saving strategies to boost the efficiency and sustainability of our operations. Our initiatives span several key areas:

- Lowering operational costs through strategic efficiencies and cost control.
- Aligning our workforce with projected workloads to enhance productivity.
- Selling or reallocating underutilised equipment to maximise resource use.
- Divesting from non-core businesses to focus resources on strategic priorities.
- Seeking government incentives and grants to support our key initiatives.
- Improving trade receivable collections and dispute resolution to bolster financial stability and operational resilience.
- Implementing an MSA with a 10% average rate reduction compared to current rates within the established framework agreement.
- Utilising third-party inspection companies for overseas inspections, reducing the need to deploy our own resources and reducing carbon footprints.
- Enforcing budget limits on individual line items within the project cost control system to prevent multiple purchase orders for the same items and ensure tighter budget management.

These cost-reduction initiatives demonstrate our commitment to upholding a financially responsible and sustainable business strategy.

PROJECT EXECUTION AND DELIVERY MANAGEMENT

Uzma prioritises delivering high-quality services and ensuring customer satisfaction. Understanding the critical role customer satisfaction plays in a competitive market, we focus our efforts on not just meeting but exceeding customer expectations. Satisfied customers become valuable advocates for our brand, driving its sustainability and long-term growth. Our dedication to quality and customer satisfaction is also integral to providing fair compensation and welfare support for our employees, in line with global ESG compliance standards.

We have developed robust management policies, procedures, and practices that go beyond meeting customer requirements. Our closed-loop system thoroughly examines every aspect of service delivery, constantly looking for ways to improve. Additionally, we maintain regular engagement with customers through mandatory quarterly meetings to review our performance and gather feedback.

In executing and delivering projects, we strictly adhere to the highest safety standards, following all relevant legal and other requirements. These include the Occupational Safety & Health Act 1994 (Act 514), Factories and Machinery Act 1967 (Act 139), Environmental Quality Act 1974 (Act 127), ISO 45001:2018, ISO 9001:2015, and ISO 14001:2015. By upholding these rigorous standards, we ensure the safety and satisfaction of all stakeholders, including employees, vendors, suppliers, and partners.

RESPONSIBLE DELIVERY OF PRODUCTS AND SERVICES

At Uzma, we uphold the highest standards for the responsible delivery of our products and services, driven by a deep understanding of our customers' needs and expectations. We continuously monitor these factors to ensure that we not only meet but exceed their requirements.

Our service execution strategy follows a two-fold approach. First, we are dedicated to minimising Non-Productive Time ("NPT"), a crucial efficiency metric in our industry. This focus optimises resource utilisation while enhancing customer satisfaction, creating a win-win scenario for all stakeholders. Second, we emphasize the meticulous execution of our Service Delivery process. Each step is carefully planned, monitored, and validated to ensure seamless and responsible delivery of products and services to our valued customers.

In line with our commitment to quality, all overseas suppliers are required to quote on Ex-Works. This allows Uzma to maintain full control over the delivery process, from the overseas point of origin to the final destination, ensuring that products arrive in optimal condition and according to our standards.

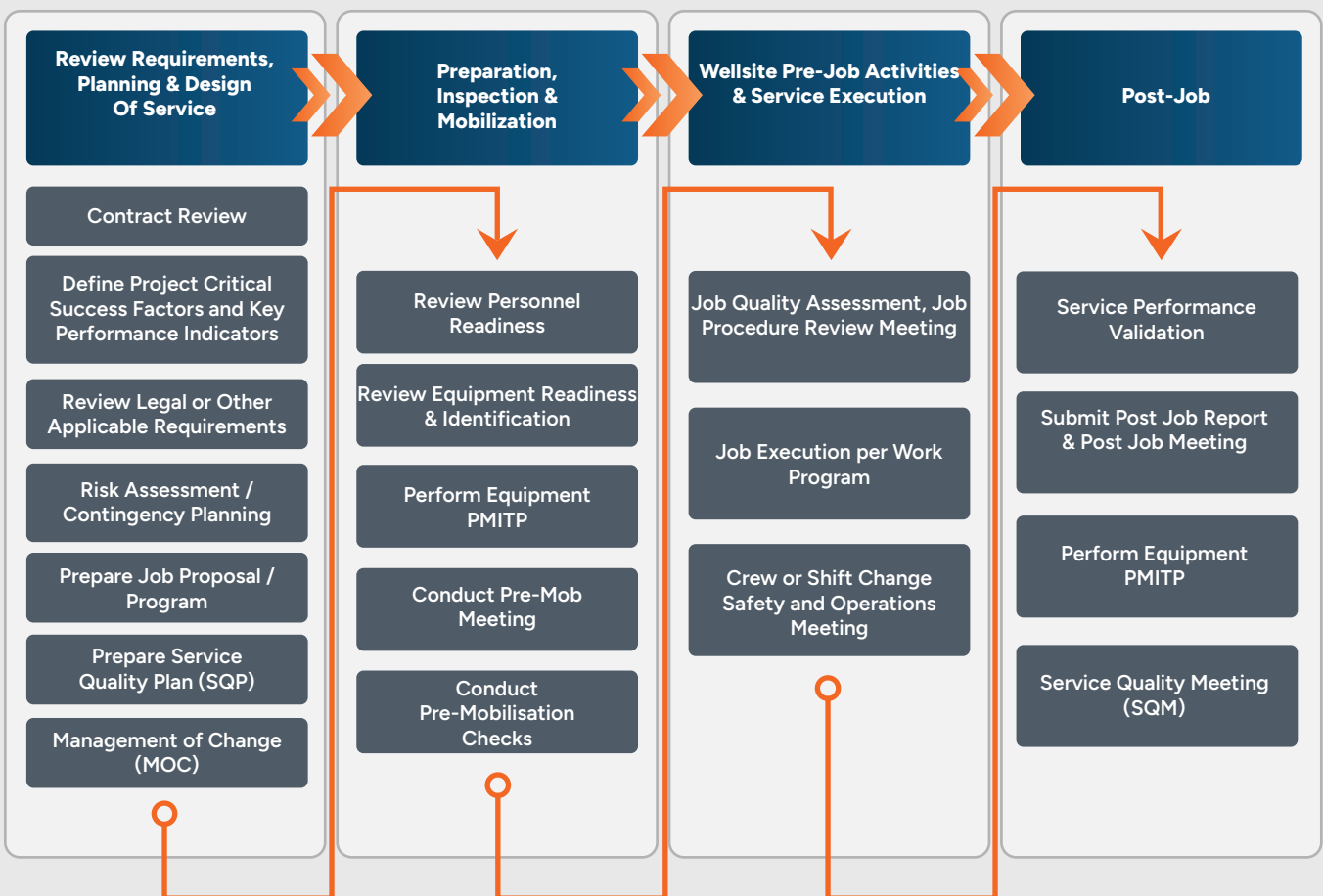


FIGURE 12: CONTROL OF SERVICE EXECUTION PROCESS FLOW

In our commitment to responsible product and service delivery, we recognise that attention to detail is crucial at every stage of the project cycle. To ensure this, we have implemented a robust control system that governs every aspect of Service Execution. This system is comprehensively outlined in our Service Quality Plan, reflecting our rigorous approach to quality management.

Our Service Quality Plan is designed to ensure that each phase of Service Execution is fully aligned with our established Service Quality Elements. These elements, outlined in the table below, form the foundation of our commitment to delivering reliable, high-quality products and services, consistently surpassing industry standards and client expectations.

No.	Elements	Descriptions
1	Required Activities & Documentations	<ul style="list-style-type: none"> Activities and documentation (proof) of compliance with both customer and legal requirements. Identification of the responsible function for each activity, including external parties. Identification of the relevant revision for each procedure, specification, or other document referenced or used in each activity.
2	Key Essential Personnel	<ul style="list-style-type: none"> List all responsible personnel/functions for the project, including any external parties.
3	Critical Supplier and Sub-Contractor	<ul style="list-style-type: none"> Involvement of sub-contractors or suppliers in providing a service or equipment used for the service.
4	Hold & Witness Point	<ul style="list-style-type: none"> Acceptance inspection by both Uzma and the customer or a third party to ensure that the customer receives service and equipment that perform to expectations.
5	Service Equipment & Testing Measurement Detection ("TMD") Devices Inventory	<ul style="list-style-type: none"> Preventive Maintenance and Inspection Test Plans ("PMITP") for equipment as well as monitoring devices ("TMDE") with serial numbers, so the PMITP records can be identifiable and traceable to the equipment.
6	Risk Management & HIRADC	<ul style="list-style-type: none"> Risks directly associated with the service and equipment, as well as controls to manage/mitigate those risks.
7	Contingency Planning	<ul style="list-style-type: none"> Measures for preventing and mitigating incidents and disruptions to minimise the likelihood or duration of the disruption of execution and service.
8	Management of Change ("MOC")	<ul style="list-style-type: none"> When things go wrong or something unplanned occurs, proceed with the contingency plan, which is still part of the planning. However, when the changes fall outside the scope of the contingency plan, MOC is required.
9	Service Performance Evaluation	<ul style="list-style-type: none"> Ensure that the results of the service evaluation are received and reviewed to validate the service performance.
10	Customer Complaint, Non-conformance & Malfunction	<ul style="list-style-type: none"> Service quality incidents, non-conformities, or undesired events that result in the failure of a product/equipment, project delivery, non-productive time ("NPT"), etc.

TABLE 7: SERVICE QUALITY ELEMENTS



ENVIRONMENT



Together with our Board and the Oversight Committee, Uzma recognises the responsibility in of overseeing and managing key environmental topics critical to the sustainability of our operations and the well-being of the planet. This includes addressing climate change and emissions, optimising energy consumption, managing waste and effluents, and safeguarding biodiversity. By integrating these material issues into our business strategy, we are committed to minimising our environmental impact and ensuring responsible stewardship of natural resources for future generations.

Uzma's Sustainability Framework emphasize a strong commitment to environmental stewardship through its Environment pillar. This pillar reflects our dedication to reducing our ecological footprint and fostering eco-conscious practices across our operations. We prioritize adopting green technologies, minimising emissions, conserving resources, and preserving natural habitats to promote biodiversity. Sustainability, for us, is both a responsibility and an opportunity to contribute positively to the planet's well-being, guiding our actions toward harmonious interaction with ecosystems. As a responsible provider of energy and technology solutions, Uzma acknowledges the environmental impact of our operations, especially in relation to climate change. While oil and gas development will continue to play a role in the global energy transition, we are committed to a precautionary approach aimed at lowering emissions, reducing our environmental footprint, and mitigating any potential harm from our business activities. During the year, we continued efforts to enhance our environmental performance by expanding the indicators we track and disclose in our Sustainability Statement, which include incorporating best practices and alignment with leading sustainability frameworks - GRI, TCFD, UNSDGs, as well as regulatory requirements from Bursa Malaysia, further demonstrating our commitment to transparent and responsible environmental stewardship.

As part of this effort, we have begun disclosing environmental data for our Uzma Engineering-Labuan site and will benchmark our climate-related disclosures against Bursa Malaysia's Enhanced Sustainability Reporting Guide 3rd Edition. Furthermore, we are in the midst of expanding environmental disclosures for other sites in order to improve our consolidated tracking and traceability efforts. These efforts are critical in driving continuous improvements in Uzma's environmental performance and supporting the development of a climate-resilient business model. Our goals include achieving regulatory compliance, maintaining asset and site certifications, enhancing resource efficiency to reduce costs, and safeguarding our brand's reputation and stakeholder trust.

ADOPTING A RESPONSIBLE APPROACH TO CLIMATE CHANGE

Uzma is fully committed to addressing climate change responsibly. We understand the urgency of climate action and are dedicated to contributing to a sustainable future. Our efforts include exploring energy-harvesting opportunities to support the transition to a low-carbon economy and assessing climate-related risks to make informed business decisions. In FY2024, we took proactive steps by aligning with global and national initiatives and exploring renewable energy alternatives, such as solar power, to reduce greenhouse gas emissions. While the path ahead is challenging, we remain dedicated to protecting the planet for future generations.

Uzma's Board and the Oversight Committee also recognise the importance of ESG risks, including climate change, and will incorporate these considerations into future investments and technology adoption to ensure resilience and responsibility in a rapidly changing world.

We have established a Group Technology & Innovation team to advance technologies that promote greener and more efficient operations. Currently, we are exploring and implementing solutions that meet Technology Readiness Level ("TRL") 6 and above, focusing on Production Solutions, Well Solutions, New Energy, and Digital Earth. These initiatives leverage cutting-edge technologies such as the Internet of Things ("IoT"), Machine Learning, and Green Hydrogen ("H2"), alongside other innovative approaches that reduce our environmental impact and drive sustainable growth across our operations.

We plan to implement more energy and emissions management initiatives to further reduce our operations' environmental impact in the upcoming financial year, FY2025.

COMMITMENT TO ENVIRONMENTAL COMPLIANCE

Environmental compliance is the core priority in our operations, and we are committed to upholding the highest standards to meet strict environmental regulations. At Uzma, we take a proactive approach to preserving the environment, viewing it as both a responsibility and an obligation. To support this, we hold regular Quality, Health, Safety, and Environment (“QHSE”) meetings where environmental awareness is a key focus. Our employees receive targeted training in areas like Scheduled Waste Management, Chemical Management, Environmental Aspect and Impact Assessment (“EAEI”) and ISO 14001:2015 Environmental Management System standards. We also distribute QHSE bulletins to maintain ongoing environmental awareness and fostering a culture of environmental responsibility. Ensuring environmental compliance, a total of 5 operating companies have already been certified with ISO 14001. Through these continuous compliance, education and awareness, we aim to protect the environment and reduce our ecological footprint.

Certified with ISO 14001 Environmental Management System



Uzma Engineering Sdn. Bhd.
since July 2023



Malaysian Energy Chemical & Services Sdn. Bhd. (“MECAS”)
since April 2006



Uzma Artificial Lift (Thailand) Co., Ltd.
since January 2024



Setegap Ventures Petroleum Sdn. Bhd. (“SVP”)
since March 2012



MMSVS Group Holding Co., Ltd.
since October 2015

In addition to sharing our QHSE performance statistics during monthly internal meeting sessions, we ensure that the Board is kept fully informed through continual updates. Our MD/GCEO provides QHSE leadership at the board level. This ongoing communication underscores our dedication to maintaining the highest standards of QHSE across the organisation and reflects the Board’s integral role in guiding and upholding our QHSE objectives and targets.

Uzma is dedicated to coexisting with and preserving the environment, striving to minimise our ecological footprint and protect the rights of both current and future generations to enjoy a clean and safe environment. A prime example of this commitment is the successful energisation of our 50MWac large-scale solar plant in Bukit Selambau, Sungai Petani, Kedah. Before construction, the project underwent a thorough risk assessment that considered both environmental and social impacts. During the permitting phase, the Development Proposal Report confirmed that there would be no adverse effects on the local environment, community, or biodiversity. The Environmental Impact Studies (“EIS”) further reinforced this by concluding that the project would not result in significant negative effects on the surrounding area. Moreover, the project design effectively minimises extensive land clearing and preserves existing ground contours, embodying a sustainable approach to energy production.



EMISSION MANAGEMENT

Uzma is deeply committed to environmental responsibility and sustainability. As part of our efforts to reduce our carbon footprint and contribute to a greener future, we have started emissions reporting journey in FY2024 by tracking Scope 1 and Scope 2 emissions, highlighting our commitment to understanding and reducing both direct and indirect greenhouse gas emissions. We will expand this disclosure to more locations in FY2025. We are utilising emission factors of 2.3228 kgCO₂e per litre for petrol, 2.7325 kgCO₂e per litre for diesel, and 0.78 kgCO₂e per kWh for electricity, as defined by Malaysian Green Technology and Climate Change Centre ("MGTC"). This initiative will provide a comprehensive view of our environmental impact and serve as a foundation for developing effective strategies to minimise emissions. In addition to emissions tracking, we are focused on improving operational efficiency to reduce our carbon footprint. For instance, we have been implementing the use of online meeting platforms to minimise physical travel between offices and operational sites, reserving in-person meetings for when absolutely necessary. This helps reduce emissions from travel, aligning with our commitment to sustainability.

A key source of emissions within the Group comes from diesel fuel consumption at Uzma's Marsya WIF in the D18 field. The combustion of this fuel for power generation releases greenhouse gases, including carbon dioxide and methane, as well as particulate matter. In FY2023, our efforts to reduce our carbon footprint by reducing the usage of diesel was a success, with a notable 83% reduction in diesel usage compared to FY2022. However, in FY2024, diesel consumption increased due to a breakdown in one of our primary equipment, which required the activation of a backup unit. Unlike the primary unit, which runs on gas, the backup unit relies on diesel for power. Despite this setback, we are proud of our swift response and corrective actions to address the issue promptly, ensuring that diesel consumption and emissions are at a minimum. Addressing these emissions is a crucial part of our sustainability mission, and we are continuously exploring ways to enhance our practices, further reinforcing our position as a responsible, environmentally conscious organisation.

Diesel Consumption	Units	FY2021	FY2022	FY2023	FY2024
MARSYA Water Injection Facility ("WIF")	Liters	454,404	549,172	94,439	374,744
	Emissions metric ton CO ₂ equivalent	1,242	1,501	258	1,024

TABLE 8: DIESEL CONSUMPTION FROM FY2021 TO FY2024

	Units	FY2022	FY2023	FY2024
Scope 1 emission (fuel)	TCO ₂ e	1,501	258	1,024
Scope 2 emission (electricity)	TCO ₂ e	297	303	325
Total emission metric ton CO ₂ equivalent	TCO ₂ e	1,798	561	1,349

TABLE 9: EMISSION FROM FY2022 TO FY2024



ENERGY MANAGEMENT

Uzma’s commitment to sustainability encompasses responsible energy management practices. Recognizing the critical role of energy efficiency in reducing our environmental impact, we are continuously implementing initiatives to improve our energy usage. All employees are aware of the importance of energy saving and its positive impact to the environment. Each of them is making impactful actions, such as turning off air-conditioning and lights during breaks and using stairs instead of elevators.

A significant step forward was our transition from traditional fluorescent lighting to energy-efficient LED lighting, which has reduced electricity consumption by 25% to 80% while extending the lifespan of our lighting systems by three to five times. Notably, energy consumption at Uzma Tower in FY2024 was higher compared to FY2023 due to the return of full-time office operations, highlighting the need for continuous improvement in our energy efficiency practices as we adapt to evolving work patterns.

Energy Consumption (kWh)	FY2022	FY2023	FY2024
Uzma Tower	313,168	329,787	347,954
Uzma Engineering-Labuan	67,659	58,620	68,201
Total (kWh)	380,827	388,407	416,155
Total Emissions Metric ton CO2 equivalent	297	303	325

TABLE 10: ENERGY CONSUMPTION IN UZMA LOCATIONS FROM FY2022 TO FY2024

Our efforts are ongoing, with a focus on identifying new opportunities for responsible energy use and increasing awareness among employees about the importance of energy conservation. To strengthen our energy management strategy, we are taking a comprehensive approach that includes dedicated personnel at each site for monitoring electricity and water consumption to pinpoint areas for improvement and increasing our reliance on renewable energy sources.

For FY2024, we have expanded our energy consumption disclosures to include additional locations, reflecting our commitment to transparency and comprehensive reporting. As part of our ongoing sustainability initiatives, we are actively implementing a range of emissions reduction efforts, including enhancing energy efficiency, lowering overall consumption, and further engaging our workforce in these practices. These actions are central to our dedication to building a more sustainable and environmentally responsible future.

WASTE MANAGEMENT

A scheduled waste is the waste listed in the First Schedule of Environmental Quality (Scheduled Waste) Regulation 2005. A waste that is listed in the schedule is classified as a toxic and hazardous waste with properties that make it dangerous or potentially harmful to human health or the environment. These wastes can be liquid, solid or sludge.

At Uzma, the Scheduled Waste Disposal Process is a critical component of our environmental responsibility, meticulously managed by qualified personnel to ensure proper execution. Each operational site is now overseen by a fully qualified individual with a Certified Environmental Professionals in Scheduled Wastes Management (“CePSWaM”). This ensures a higher level of oversight and expertise in managing waste at every location.

Regular updates are conducted to accurately monitor and manage inventory levels, reinforcing our dedication to environmental safety and compliance. This comprehensive approach to scheduled waste ensures that hazardous waste are handled, stored, and disposed of with the highest level of care, minimizing potential environmental risks and demonstrating our ongoing commitment to sustainable practices.

Scheduled Waste (MT)	FY2022	FY2023	FY2024
Uzma Engineering - Kemaman & Labuan Yard	17.55	30.3	43.18

TABLE 11: SCHEDULED WASTE IN UZMA LOCATIONS FROM FY2022 TO FY2024

We received a compound notice due to shortcomings in managing scheduled waste at one of our sites. We have since, taken all corrective actions and improvements have since been implemented and fully verified by the local environmental authority.

Moving forward to FY2025, Uzma remains committed to waste minimization by optimizing raw material usage, improving production efficiency, and promoting awareness campaigns to encourage environmentally friendly practices among employees. We are also actively exploring opportunities to reuse products or materials rather than disposing of them and are seeking alternative disposal methods that align with a life cycle perspective. This approach emphasizes minimizing waste, reducing environmental impact, and maximizing resource efficiency throughout the entire product life cycle. such as sending used engine oil to recycling agencies. These efforts reinforce our dedication to reducing waste and fostering a more sustainable future.

WATER AND EFFLUENT MANAGEMENT

At Uzma, we understand the crucial role of responsible water and effluent management in protecting the environment, making it a core part of our sustainability strategy. In FY2024, Uzma Tower's water consumption was recorded at 1.36 megaliters ("ML"), an 8% improvement from the previous year. This reflects our ongoing efforts to monitor and optimize water usage, reducing our impact on local water resources and promoting sustainable water management.

In our offshore operations, in delivering our contractual service to clients, our Water Injection Facility (WIF) withdrew 1,386 megaliters of seawater in FY2024 for water injection operation and onboard consumption. To meet standards for crew onboard consumption, the seawater undergoes filtration through reverse osmosis.

To address water leakages, we implemented a streamlined process that allows employees to report incidents through the Hazard Identification Report ("HIR") online portal or by directly contacting the maintenance department. These reports are centralized and responded to within four hours, ensuring quick action to minimize environmental risks. We also prioritize proactive water management, conducting monthly monitoring and daily troubleshooting to ensure efficient water usage and swiftly address any issues. Our water consumption data for Uzma Tower over the last three fiscal years highlights our commitment to managing resources effectively.

Preventive measures are key to preventing pollution and environmental hazards, and equipment maintenance plays a vital role in minimizing hazardous discharges. All equipment maintenance is carried out according to regulatory standards, integrating environmental responsibility and safety into our operational practices. We have also expanded our water consumption tracking to include additional Uzma locations, as shown in the table, allowing for a comprehensive approach to water management across all facilities.

One of Uzma's primary water-related concerns is the responsible disposal of wastewater. We are fully committed to preventing any accidental discharge of untreated effluents into the inland water and sea. We are committed to ensuring that all our operational activities have a minimal environmental impact. To achieve this, we conduct final discharge point monitoring at all locations where water is discharged into inland or Malaysian waters. We take all necessary measures to ensure that the results of these analyses remain within the effluent limits of Standard B. In FY2024, the total cost related to wastewater analysis was RM4,000. To further reinforce this commitment, we have incorporated rigorous environmental incident monitoring into our monthly QHSE performance reports, with a goal of achieving zero major spills each year. This includes evaluating environmental risks, conducting impact assessments, and ensuring compliance through continuous monitoring. In FY2024, our operational sites continued to conduct final discharge monitoring in line with the Environmental Quality Act 1974 ("EQA") requirements. For our international facilities, we ensure full compliance with respective country's regulations.

For FY2025, we plan to enhance our environmental management by integrating a chemical handling awareness campaign with our water and effluent management initiatives. This combined effort will further improve environmental performance, ensure safer chemical handling, and enhance the efficiency of our water and effluent management systems.

Water Consumption (megaliters)	FY2022	FY2023	FY2024
Uzma Tower	0.839	1.48	1.364
Uzma Engineering-Labuan	0.829	0.94	1.037
Total	1.668	2.420	2.401
MARSYA Water Injection Facility, offshore (extracted from seawater)	1,543	1,435	1,386
Total (extracted from seawater)	1,543	1,435	1,386

TABLE 12: WATER CONSUMPTION FROM FY2022 TO FY2024

We are pleased to report zero fines, warnings, or penalties for non-compliance related to wastewater discharge regulations for the FY2024. We have also continued to ensure that none of our water consumption depends on water extracted from water stressed areas. These achievements demonstrate our dedication to environmental stewardship and responsible water management.

In FY2024, despite our efforts to prevent spillage, we recorded one minor spillage in a bunded area of our designated warehouse. Immediate actions were taken to collect and contain the residual, control spread of liquid and dispose the waste in conformance with regulations and our policies and procedures. As such, the spillage was confined within the area of the release and within the company site.

	FY2022	FY2023	FY2024
Number of major spills	0	0	0
Number of minor spills	2	1	1

TABLE 13: NUMBER OF MAJOR/MINOR SPILLS FROM FY2022 TO FY2024

SOCIAL

Uzma's Social pillar in our Sustainability Framework underscores our deep commitment to the well-being of our employees, the communities we serve, and our broader network of stakeholders. We understand that our success is closely tied to our social responsibilities, and we actively promote a safe, healthy, and diverse workplace while fostering an inclusive and ethical corporate environment. Our engagement with local communities goes beyond business, focusing on social development and philanthropic initiatives. By upholding the highest ethical standards, we ensure that every stakeholder feels valued and respected. This pillar represents our dedication to positively impacting lives both within and beyond our organization, working together toward a sustainable and prosperous future.

Ensuring health and safety compliance, a total of 5 operating companies have already been certified with ISO 45001. Through this continuous compliance, we aim to conduct our operation in a safe manner.

Certified with ISO 45001 Occupational Health and Safety Management Systems



**Uzma Engineering
Sdn. Bhd.**
since March 2020



**Malaysian Energy Chemical &
Services Sdn. Bhd. ("MECAS")**
since April 2006



**Uzma Artificial Lift
(Thailand) Co., Ltd.**
since January 2024



**Setegap Ventures
Petroleum Sdn. Bhd. ("SVP")**
since March 2012



**MMSVS Group Holding
Co., Ltd.**
since October 2015

DIVERSITY, EQUITY, AND INCLUSION

Uzma is strongly committed to promoting diversity and equal opportunities, which are central to our organizational culture and success. Our workforce is a blend of various backgrounds and ethnicities, bringing together a wide range of expertise and experiences. This diversity drives innovation and enhances our decision-making by offering different perspectives.

We ensure an inclusive workplace by strictly prohibiting any discrimination based on race, gender, religion, or other socio-cultural factors. All employees and candidates are evaluated based on merit—qualifications, experience, and contributions—while prioritizing local talent when they meet job requirements.

At Uzma, we value diversity and equal opportunity as key to our dynamic and thriving culture. We go beyond tolerance, embracing the unique backgrounds and skills that shape our collective identity. Prioritizing local talent strengthens our understanding of the Malaysian market and contributes to a more balanced society. In FY2024, our 885-strong workforce reflected this diversity, with a gender balance and a mix of ages, ethnicities, and cultures working together to create lasting economic, environmental, and social impacts.

We are enhancing our efforts to track hiring across gender and age groups to ensure balanced representation within our workforce. Furthermore, we offer disabled-friendly facilities, including accessible toilets and ramps, notwithstanding that we do not have any differently-abled persons in our workforce. In addition, we uphold an inclusive, non-discriminatory approach in all recruitment activities. We are also implementing policies to support work-life balance, offering flexible working arrangements and making paternity leave available after six months of employment. These initiatives underscore our commitment to fostering an inclusive, supportive, and empowering environment, which are essential to our long-term sustainability journey and a brighter, more inclusive future.

Uzma promotes an inclusive culture that respects the diverse beliefs, cultures, and perspectives of our employees. We recognize how these differences impact employee experiences and contribute to our success in attracting and retaining talent. We ensure that all employees can freely practice their cultures and religions without fear of discrimination.



Employee Breakdown, by Gender and Employment Category	FY2022		FY2023		FY2024	
	Male	Female	Male	Female	Male	Female
Management	90	40	88	33	98	38
Executive	97	81	96	85	127	95
Non-Executive	395	45	416	53	474	53
GROUP TOTAL	582	166	600	171	699	186

TABLE 14: EMPLOYEE BREAKDOWN BY GENDER AND EMPLOYMENT CATEGORY

Employee Breakdown, by Age Group and Employment Category	FY2022			FY2023			FY2024		
	Management	Executive	Non-Executive	Management	Executive	Non-Executive	Management	Executive	Non-Executive
Aged 30 and below	0	66	134	0	79	143	3	97	155
Aged 31-50	106	108	259	96	100	276	113	114	302
Aged 51-60	22	3	44	25	2	46	29	5	67
Aged 61 and above	2	1	3	0	0	4	0	0	0
GROUP TOTAL	130	178	440	121	181	469	145	216	524

TABLE 15: EMPLOYEE BREAKDOWN BY AGE GROUP AND EMPLOYMENT CATEGORY

Employee Breakdown, by Ethnicity	FY2022	FY2023	FY2024
Malay	451	457	506
Chinese	13	13	16
Indian	7	3	3
Sabahan & Sarawakian	116	128	146
Others (Non-Malaysians)	164	170	214
GROUP TOTAL	748	771	885

TABLE 16: EMPLOYEE BREAKDOWN BY ETHNICITY



Employee Breakdown, by Nationality	FY2022	FY2023	FY2024
Malaysia	584	601	671
Indonesia	20	17	18
Thailand	133	143	168
Philippines	4	5	23
Others	7	5	5
GROUP TOTAL	748	771	885

TABLE 17: EMPLOYEE BREAKDOWN BY NATIONALITY

Employee Breakdown, by Category	FY2022	FY2023	FY2024
Permanent Employees	493	571	603
Contract Employees	255	200	282
TOTAL	748	771	885
Freelance (Consultants)	168	132	103
GROUP TOTAL	916	903	988

TABLE 18: EMPLOYEE BREAKDOWN BY EMPLOYMENT TYPE

SUPPORTING GENDER EQUALITY

Uzma is fully committed to promoting gender equality and upholding the rights of all employees, regardless of gender. We ensure that both men and women have equal opportunities to apply for job positions and access training. Recognition, pay, and rewards are based on individual merit, free from gender-based discrimination. This commitment is embedded in all aspects of our human resources practices, from hiring and training to promotions and pay. We follow a merit-based approach, ensuring that every qualified candidate has equal access to employment benefits and opportunities at all levels of the organization.

At Uzma, we actively challenge gender biases and stereotypes, working to remove barriers and align all employees with our policy objectives. While we don't set specific gender diversity targets, we prioritize a fair recruitment process where all qualified candidates, regardless of gender, have equal chances to apply for jobs. In FY2024, the representation of women in management roles is at 28% (38 of 136). This demonstrates our ongoing commitment to promoting diversity and equal opportunity. To reinforce this, we educate our managers on the importance of these principles for the Group's success. We also continuously monitor gender composition across the Group, including the current workforce and new hires, to ensure balanced representation, with hiring, promotions, and career development opportunities based on merit, free from gender bias.



LABOUR PRACTICES AND HUMAN RIGHTS

Uzma is committed to upholding fundamental human rights and adheres fully to all relevant Malaysian labour laws, including the Malaysian Employment Act of 1995, as well as applicable laws in other regions where we operate. Our dedication to ethical labor practices and human rights is deeply embedded in our organizational culture. We integrate these commitments into our practices and communicate them thoroughly to all stakeholders through employee onboarding, the People Handbook, the COBE, Anti-Bribery Policy, Whistleblowing Policy and the uzmaWAY. These resources are accessible on our website and intranet, ensuring that our standards for human rights and ethical labour practices are well understood and consistently upheld.

In addition, we ensure there are no human rights violations on matters including but not limited to issues of child labour, human trafficking or forced labour. Our commitment further extends to ensuring there are no breaches related to the rights of indigenous people in areas where we serve.

For FY2024, we are pleased to report there were no incidents of labour standards, non-compliance to labour laws or human rights violations. This reaffirms our unwavering commitment to ethical labor practices and the protection of human rights, aligning with the United Nations Sustainable Development Goal 8: Decent Work and Economic Growth. There have also been no incidents of violations involving the rights of indigenous people.

We believe every individual deserves respect, dignity, and fairness. These values are integral to our culture, guiding our actions and decisions as we strive to create a workplace where everyone's rights are protected and their well-being is prioritized.

Compliance with Labour Laws	We diligently comply with the Minimum Wage Order of 2022 and all regulations governing working hours and equitable compensation, safeguarding our employees' rights and well-being. We ensure that our employees' working hours are not more than 45 working hours per week, including any hours worked beyond their normal schedules and adhere with Malaysian Employment Act 1955.
Safe Working Conditions	The right to safe working conditions is at the core of our operations. We are unwavering in our commitment to providing a safe and secure work environment for all.
Equal Opportunity and Non-Discrimination	We rigorously ensure equal opportunities for all, upholding a workplace where discrimination based on race, religion, gender, age, or marital status is entirely prohibited.
Collective Bargaining	We wholeheartedly respect our workers' right to engage in collective bargaining, valuing their input in shaping the conditions of their employment.
Dignity at Work	The dignity of our workforce is paramount to us. We guarantee their right to dignity at work, fostering an environment where respect and integrity are core principles.
Employee Wellness and Mental Health	Uzma is committed to the well-being of our employees, respecting their rights to wellness and mental health support.
Harassment-Free and Violence-Free Workplace	We are dedicated to maintaining a workplace that is entirely free from harassment and violence, ensuring the safety and dignity of every individual.
Prohibition of Retaliation	We absolutely prohibit any form of retaliation or disciplinary practice, whether physical or mental, against our employees.
Cultural Respect	Uzma wholeheartedly respects each person's right to their own culture, the practice of their religion, and the use of their language, fostering an inclusive and diverse workplace.
Children's Rights and Child Labour	We recognize and prioritize the rights of children, unequivocally prohibiting and actively preventing any form of child labour within our operations.
Forced Labour, Debt Bondage, Human Trafficking, and Modern Slavery	Uzma takes an unequivocal stand against forced labour, debt bondage, human trafficking, and all forms of modern slavery, actively preventing their occurrence.
Freedom of Association	Uzma respects and champion our employees' rights to the freedom of association, fostering an environment where their voices are valued and their rights upheld.

TABLE 19: KEY SOCIAL RESPONSIBILITY COMMITMENTS

FOSTERING A RESPECTFUL WORKPLACE

At Uzma, we are dedicated to creating a safe and respectful working environment for all our employees. Our commitment to this principle is unwavering. We ensure that employees can perform their duties without fear of harassment, whether from within the company or external sources. Harassment of any kind is a serious violation of our core values and undermines the trust and respect that define our workplace. We treat harassment as a significant misconduct and a breach of company rules. To address and prevent harassment, we have established a comprehensive policy outlined in our COBE. This policy promotes a culture of respect and helps maintain a work environment free from inappropriate behaviour. As mentioned in the previous year, we launched a Sexual Harassment Campaign to increase awareness and prevention efforts. To further strengthen this, this awareness on of sexual harassment is part of onboarding module. In FY2024, there were no harassment cases reported, highlighting our commitment to maintaining a respectful workplace.

In response to our initiative for a respectful workforce, we have introduced Ideation Day, where employees can share their ideas with management, demonstrating our openness to feedback. Additionally, we also introduced employee grievance procedures in People Division standard operating procedure, which was updated on 1 March 2024 to address concerns, promote fairness and also transparency. We also encourage team-building activities across all business units and departments to promote teamwork, understanding, and respect among employees.

Our team will develop more strategic plans for FY2025 to strengthen our organizational culture as well as improving job satisfaction. We remain steadfast in our mission to ensure zero tolerance for harassment and to foster a workplace culture that values and protects every employee.

A COMMITMENT TO EMPLOYEE WELL-BEING

At Uzma, health and safety, one of the five core pillars of uzmaWAY, are central to our operational excellence and are deeply embedded in the uzmaWAY. To foster a culture where every staff member values health and safety, we take proactive measures to introduce the uzmaWAY to new employees during the induction session as soon as they join the organization. Furthermore, they will become familiarized with uzmaSAFE, which includes all our Corporate Safety Rules.

At Uzma, the Health, Safety, and Environment ("HSE") Committee plays a vital role in safeguarding our employees' well-being, protecting the environment, and upholding the highest safety standards across all operations. Chaired by a member of senior management, the committee provides strong leadership, fosters active participation from all members, and ensures that diverse perspectives are valued during meetings. Comprising both employer and employee representatives, the committee reflects our commitment to a collaborative approach in addressing and discussing HSE-related issues. Additionally, the establishment of the HSE Committee is in line with regulatory requirements outlined in the Occupational Safety and Health Act 1994, underscoring our dedication to compliance and continuous improvement in health and safety practices.

The committee actively participates in assessing the effectiveness of HSE policies, procedures, and initiatives. It meets quarterly to provide a structured environment for open communication between management and employees. These meetings are solely focused on HSE issues, ensuring that all stakeholders' concerns are heard and addressed promptly.

Furthermore, Uzma has made significant investments to improve the competence of our HSE Committee members. Effective HSE committee training is provided to ensure that members have the most up-to-date knowledge, skills, and best practices for dealing with emerging HSE challenges. This training ensures that all members are fully capable of carrying out their roles and responsibilities to the highest level.



GENERATIVE QHSE CULTURE



In our ongoing commitment to cultivating a Generative QHSE Culture, we recognize the vital role of psychological, behavioral, and situational factors in proactively addressing Quality, Health, Safety, and Environment (“QHSE”) challenges. By nurturing a psychologically safe environment where every employee feels valued and heard, we can inspire behaviors that prioritize QHSE practices across all levels. Our adaptability to changing circumstances ensures that our workforce remains responsive and resilient, empowering every team member to contribute meaningfully to our shared QHSE objectives. This cultural transformation is driven by three foundational pillars—People, Knowledge, and Systems—that align with our core values and guide us in building a strong, sustainable, and generative QHSE framework.

A. People

At Uzma, we view QHSE principles as essential to our workplace. Our steadfast commitment ensures that our workforce consistently upholds these principles in their daily practices. Our people:

- Wholeheartedly believe in QHSE Principles.
- Embrace a culture of continuous learning and knowledge-sharing.
- Take ownership of HSE responsibilities and remain accountable for their actions.

B. Knowledge

Uzma is committed to equipping our employees with the tools they need to thrive in their current roles and adapt to emerging challenges. We believe in the power of knowledge, which is founded upon:

- A foundation of factual and theoretical QHSE components.
- Ongoing training and competency development.
- Easy access to relevant information and resources.

C. System

To ensure our operations are effective and comply with ISO 9001:2015, ISO 14001:2015, and ISO 45001:2018 Integrated Management System (“IMS”) requirements, a systematic documentation and control system is essential. This system must cover our services and business activities within the region and be defined by:

- A well-defined QHSE framework.
- Thoughtfully structured processes.
- Enhanced efficiency that minimizes risks.

By nurturing the three pillars of People, Knowledge, and System, we aim to cultivate a robust QHSE culture that empowers our employees and reinforces our dedication to health, safety, and environmental excellence.

As part of our company’s QHSE assurance program, we engage a globally recognized certification body to independently verify our QHSE data and practices. This third-party audit provides our stakeholders with added confidence that our practices not only comply with international standards but are implemented with the utmost precision and accountability across all certified locations. This process reinforces the integrity and credibility of our management system, ensuring we consistently uphold the highest levels of QHSE performance.

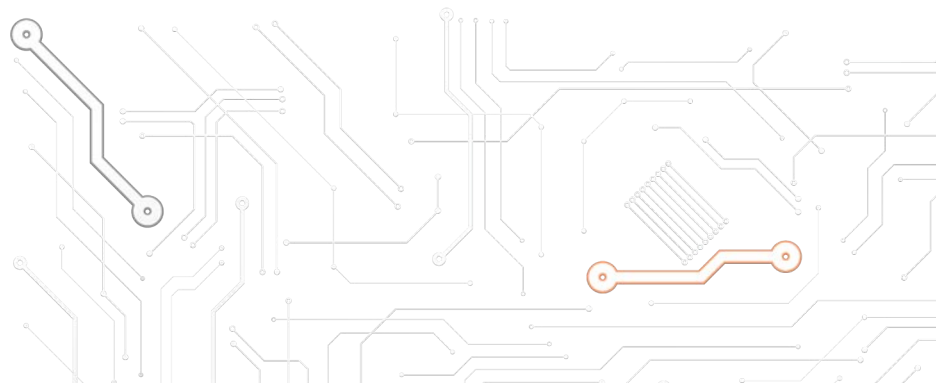
UZMA 12 ORANGE RULES

The 12 Orange Rules were developed as a complement to the uzmaWAY's Health and Safety element. They establish clear "Do's" and "Don'ts" that all employees and contractors must adhere to at all times.

No.	Elements	Description
1	Permit to Work <i>Work with a valid permit when required</i>	<p>Permit to Work ("PTW") is a systematic process used to authorize controlled work in non-standard and/or, potentially hazardous conditions. The objective of the PTW is to:</p> <ul style="list-style-type: none"> - Control access to plant and equipment; - Minimize the risk of injury to personnel; and - Minimize the risk of damage to plant.
2	Adhere Safety Control <i>Obtain authorization before overriding or disabling safety controls</i>	<p>Safety critical control equipment includes any device that prevents incidents and ensures effective control of the incident for the systems.</p> <p>Examples include:</p> <p>Pressure relieving devices, detectors, alarms, emergency release systems, critical electrical equipment, fire protection equipment, and critical security devices.</p> <p>Procedures that, if not performed correctly or at the right time, could result in a fatality or other major accident.</p>
3	Line of Fire <i>Keep yourself and others out of the line of fire</i>	<p>"Line of Fire" refers to those work situations where workers could be struck by something that suddenly starts to move or releases its energy unexpectedly. For every job, there is a potential that something could hit, spray, pinch, or crush. The first priority should be to eliminate these hazards entirely, if possible, but if not, we want people to focus on moving them out of the "Line of Fire".</p>
4	Safe Lifting Process <i>Plan lifting operations and control the area</i>	<p>Lifting operations need to be planned and performed by competent personnel using certified equipment. Correct lifting methods can move large objects safely and efficiently while eliminating other hazards, e.g. manual handling operations. Incorrect methods, however, can also introduce hazards and lead to major accidents and fatalities.</p>
5	Working at Height <i>Protect yourself against a fall when working at a height</i>	<p>Use fall protection equipment when working at a height of two (2) meters or higher above the ground outside protective equipment. Protective equipment includes approved scaffolding, stairs with handrails, and man lifts. Adequate protective arrangements shall be put in place where there is a risk of injury from falling.</p>
6	Energy Isolation <i>Verify isolation and zero energy before work begins</i>	<p>Energy isolation separates people from hazards such as electricity, pressure, and energized equipment. Verification of energy isolation should be done by the workers doing the work. Types of energy that need to be isolated include mechanical, electrical, hydraulic, thermal, chemical, pneumatic, ionizing, and radiation. Energy isolation is verified by locking, tagging, and testing the system for zero energy.</p>
7	Confined Space <i>Obtain authorization before entering a confined space</i>	<p>Confined space is large enough for personnel to enter, has limited or restricted means of entry, and is not designed for normal or continuous occupancy. Examples of confined spaces include vessels, tanks, pipes, cellars, or areas with energy releases, lack of oxygen, exposure to hazardous chemicals, hazards that can fall on you or crush you, or areas you can fall into. Authorized access keeps you safe.</p>
8	Journey Management <i>Follow safe driving rules</i>	<p>The driver and passengers should take responsibility for each other's safety, including ensuring all occupants wear a seatbelt. Speeding or using your phone while driving increases the risk of losing control of your vehicle. Fitness for duty means ensuring an individual can complete a task safely and without acceptable risk to themselves or others. This includes not being under the influence of drugs and alcohol.</p>
9	Risk Assessment <i>Conduct and review risk assessment</i>	<p>Conducting and reviewing all risks associated with activities to ensure that control measures for hazards and risks are identified and mitigated. By conducting the risk assessment, it will avoid the chances of incidents related to people, the environment, assets, and the company's reputation.</p>

No.	Elements	Description
10	Hot Work <i>Control flammables and ignition sources</i>	Hot work includes any work that creates an ignition source performed in an area that potentially contains hydrocarbons or flammable materials. Ignition sources are open flames in the work area, such as welding, grinding, smoking, torching, loading/unloading of hazardous materials, internal combustion engines, chemical reactions, batteries, etc.
11	Safe Chemical Handling <i>Ensure the right PPE and proper control when handling hazardous chemicals</i>	Handling of hazardous chemicals includes operations of receiving, storing, discharging, transporting, and disposing of chemicals, including while working on process equipment containing chemicals or hydrocarbons. The correct Personal Protective Equipment ("PPE") to wear when handling hazardous chemicals is specified in the risk assessment or PTW for the job, e.g. chemical apron, chemical aspirator, chemical-resistant gloves, face shield, etc.
12	Incident Reporting <i>All incidents and accidents are to be reported promptly</i>	All incidents shall be escalated immediately to ensure that correction and corrective actions are properly and promptly addressed. Continuous improvements are to be implemented based on lessons learned from incidents to avoid future recurrence.

TABLE 20: ELEMENTS IN UZMA'S 12 ORANGE RULES



I PLEDGE TO COMMIT AND COMPLY TO THE UZMA 12 ORANGE RULES BY OBEYING THESE RULES WHILE ENSURING THE SAFETY OF MYSELF AND OTHERS



QHSE PERFORMANCE IN FY2024

Health and safety are fundamental to our corporate responsibility, and we strive to foster a culture where every employee is empowered to take ownership of health and safety at all levels. In FY2024, our dedication yielded impressive results, including 1.8 million manhours with zero Lost Time Injury ("LTI"). A LTI refers to a work-related injury or illness that prevents an employee from performing their regular duties on the day after the incident. It encompasses serious incidents such as fatalities, permanent total disabilities, and cases where the worker misses one or more work days due to the injury, but it does not include situations where the employee is assigned restricted duties. It is used as a key metric to measure workplace safety and the severity of injuries in an organization. This milestone contributed to our cumulative record of 8.9 million LTI-free man hours and 1,702 days without LTI incidents, marking a significant achievement in our safety commitment and meeting with industry best practices.

To maintain engagement and alignment with our QHSE goals, monthly employee engagement sessions were held throughout FY2024. These sessions provided a platform to discuss QHSE performance, updates, and developments. Furthermore, the QHSE engagement sessions are also included in the onboarding sessions for new hires. A total of 47 Uzma personnel attended the onboarding session in FY2024.



FY2024

1.8

MILLION
manhours without LTI



OVERALL GROUP RECORD

8.9

MILLION
LTI Free Manhours

1,702

DAYS
Without
Lost Time Injury ("LTI") Incidents

QHSE Awards and Recognitions

AUGUST 2023

Petronas Carigali Sdn Bhd ("PCSB")

- SVP has been recognized as one of the top three vendors for Safety Excellence and HSE Best Practices at the event organized by SKA QEM in Miri.
- Uzma and SVP have also received the 3 Million Man-Hours Without LTI Award in recognition of their dedication to accident prevention in SKA QEM operations.

FEBRUARY 2024

Petronas Carigali Sdn Bhd ("PCSB")

- Uzma and MECAS have been recognized for their dedication in pursuing PCSB's objective of achieving zero incidents, which contributed to the accomplishment of 2 million man-hours.

OCTOBER 2023

SEA Hibiscus Sdn Bhd ("SEAH")

- SVP has received appreciation for its outstanding accomplishments and services during the SEAH Integrated Wells Campaign 2023.

Valeura Energy

- MMSVS has achieved excellent safety performance for over three years without any recordable injury cases, along with outstanding accomplishments in delivering operational excellence.

APRIL 2024

PTTEP

- MMSVS has received the CEO SSHE Excellence Award for achieving SSHE performance excellence for four or more consecutive years.

JUNE 2024

Petronas Carigali Sdn Bhd ("PCSB")

- MECAS has received a Certificate of HSE Excellence from PCSB SKA for its unwavering commitment to HSE excellence in the first and second quarters of 2024.
- UAL has been honored with an Appreciation Award for its exceptional commitment to the Contractor Materials Management Appreciation initiative.
- Uzma Engineering has received certificate of HSE Excellence for its commitment on consistently prioritized HSE in daily operations throughout first and second quarter of year 2024.

NOVEMBER 2023

Hibiscus Oil & Gas Malaysia Limited ("HML")

- SVP has received recognition for its contribution to HML's outstanding HSE performance, achieving 13 years without Lost Time Injuries and 7 years without Total Recordable Injuries in Wells operations.

Moving forward, we will implement a comprehensive compliance monitoring program to ensure adherence to applicable HSE legal and other requirements. We will also provide regular employee training to enhance awareness and promote best practices. Routine HSE risk assessments will help us proactively identify potential hazards and vulnerabilities.

As we look to the future, we remain committed to upholding and enhancing our QHSE standards. The well-being of our employees remains our top priority, and we are dedicated to continuing our efforts to create a safe and secure working environment for all.

Health And Safety Statistics	FY2021	FY2022	FY2023	FY2024
Total Man-hours Worked	2,258,434	1,807,990	1,419,852	1,831,543
No. of Lost Workdays	0	0	0	0
No. of Fatality	0	0	0	0
No. of Lost Time Injury ("LTI")	0	0	0	0
Lost Time Injury Frequency ("LTIF")	0.00	0.00	0.00	0.00
No. of Restricted Work Cases ("RWC")	1	1	2	0
No. of Medical Treatment Case ("MTC")	1	0	0	1
No. of First Aid Case ("FAC")	2	2	2	2
No. of Near Miss ("NM")	7	3	0	2
No. of Occupational Illness ("OI")	0	0	0	0
No. of Major Fire / Explosion	0	0	0	0
No. of Minor Fire	2	1	0	0
No. of Property Damage ("PD") / Property Lost ("PL")	3	1	0	2
No. of Motor Vehicle Accident ("MVA")	0	1	0	0
No. of Major / Minor Spill ("LOPC")	2	2	1	1
No. of Environmental Pollution	0	0	0	0
Fatal Accident Rate ("FAR")	0.00	0.00	0.00	0.00
Severity Rate	0.00	0.00	0.00	0.00
Total Recordable Case Frequency ("TRCF")	0.88	0.55	1.41	0.55
Total Recordable Occupational Illness Frequency ("TROIF")	0.00	0.00	0.00	0.00

TABLE 21: UZMA GROUP (ALL SITES) HSE STATISTICS FROM FY2021 TO FY2024

QHSE KEY PERFORMANCE INDICATORS (OBJECTIVES AND TARGETS)

For FY2024, Uzma emphasized the critical importance of developing Corporate QHSE Key Performance Indicators ("KPIs") that reflect both internal and external factors affecting the organization. These KPIs were crafted using the SMART (Specific, Measurable, Achievable, Relevant, Time-bound) criteria to ensure clarity and attainability. We closely monitored and analyzed these KPIs through the QHSE Dashboard, which provided real-time insights into our performance across various QHSE areas. The Oversight Committee conducted regular monthly reviews of these performance against its set targets, underscoring our commitment to continuous improvement and accountability. This proactive approach reinforced our dedication to QHSE excellence and supported our ongoing efforts to deliver safe, high-quality, and environmentally responsible services. The overall KPI results showed slight improvements for FY 2024, compared to FY2023.

Objectives	Key Results (Metrics)	FY2024 Target	Frequency	Result
Ensure Quality Delivery to Customers	1.1 Customer Delivery Survey ("CDS") Rating	Average score for whole project $\geq 90\%$	Monthly	FY24 Result: 86.8% FY23 Result: 87.4%
	1.2 Project Delivery Self-Assessment ("PDSA")	All projects score ≥ 4 STAR	Long Term Contract (>6 month) – every 6 month Short Term Contract (<6 month) – once per campaign	FY24 Result: 4 STAR = 100% FY23 Result: 4 STAR = 80% 3 STAR = 20%
	1.3 Service Quality Incident Tracking	100% closure of Service Quality Incidents	Monthly	FY24 Result [NEW]: 100% closure
Provide Safe & Secure Environment	2.1 QHSE Performance	Zero Lost Time Incident & Zero Major Spill	Monthly	FY24 Result: 0 LTI 0 Major Spill FY23 Result: 0 LTI, 0 Major Spill
	2.2 Evaluation of Compliance Result	100% compliance on applicable QHSE Legal and Other Requirements	Quarterly	FY24 Result: 99.0% compliance FY23 Result: 98.5% compliance

TABLE 22: QHSE KEY PERFORMANCE INDICATORS IN FY2024



QHSE PROGRAMMES CONDUCTED IN FY2024

Uzma meticulously carried out a range of comprehensive QHSE programs across all our subsidiaries, divisions, and departments throughout FY2024. These programs were carefully crafted and strategically implemented to improve our QHSE practices, promote a culture of safety and environmental stewardship, and continually enhance our services. These efforts highlight our steadfast commitment to upholding the highest standards of QHSE excellence, safeguarding the well-being of our employees, and reducing our environmental impact.

Date	Programme
SVP KLHO : 17 & 19 October 2023	<p>SIT Workshop Objectives</p> <ul style="list-style-type: none"> To foster collaboration and alignment in creating a robust SIT procedure. Standardized SIT ensures efficient integration, optimal performance, and reduced operational risks in Coiled tubing, Downhole Tool, Pumping, Nitrogen, and Desander Equipment. To support the Company's FY24 KPI & Objective – “Objective 2: Enhance Verification and Validation Process for Service Execution” Key Result: Establish system Integration Test (SIT) procedure for CTU, Pumping, Wireline & HWU. The target is to achieve 100% closure of critical equipment testing processes and acceptance procedures.
Uzma HQ: 27 October, 2023	<p>Launched QHSE e-learning modules</p> <ul style="list-style-type: none"> The STEP Portal is SVP's online platform for accessing various e-learning modules, including those on QHSE-related topics. Centralized access to QHSE e-learning modules. QHSE e-learning modules are designed to enhance staff knowledge and compliance with QHSE standards. Currently offer about 21 modules, with more being added regularly (FY2025)
Uzma Tower : 27 October 2023	Mental Health Talk by Dr Syahirah
Kemaman Base : 4 – 5 Dec 2023	First Aid Training
Kemaman Base : 4 Jan 2024 Labuan Base : 28 June 2024	Behavioural Based Safety (“BBS”)
Labuan Base : 31 Jan 2024	“Line of Fire” Campaign
Kemaman Base : 6 – 16 Feb 2024 Labuan Base : 5 - 6 June 2024	Effective HSE Committee & Incident Investigation Training
Annually : 20 Feb 2024	IMS Management Review Meeting
Labuan Base : 12 June 2024 Kemaman Base : 4 June 2024 Uzma Tower : 13 Jan 2024 Uzma Lab : 26 June 2024	Chemical Spills & First Aid Drill
Kemaman Base : 13 June 2024	Commute with Care & 8 Million Safe Manhours without LTI celebration
Annually – at all locations	Health Screening
Monthly – UT & SVP KLHO, KSB, Labuan base	QHSE Engagement
Quarterly - UT , SVP KLHO, KSB, Labuan base	HSE Committee
On-going	Vendor Site Assessment

TABLE 23: QHSE PROGRAMMES CONDUCTED IN FY2024

FY2024 QHSE PROGRAM

MENTAL HEALTH TALK BY DR SYAHIRAH



Uzma Tower : 27 October 2023



FIRST AID TRAINING



Uzma Tower : 27 October 2023



BEHAVIOURAL BASED SAFETY (BBS)



Kemaman Base : 4 January 2024
Labuan Base : 28 June 2024

"LINE OF FIRE" CAMPAIGN



Labuan Base : 31 January 2024



EFFECTIVE HSE COMMITTEE & INCIDENT INVESTIGATION TRAINING



Kemaman Base : 6 - 16 February 2024
Labuan Base : 5 - 6 June 2024




COMMUTE WITH CARE & 8 MILLION SAFE MANHOURS WITHOUT LTI CELEBRATION





Kemaman Base : 13 June 2024

FY2024 QHSE PROGRAM

CHEMICAL SPILLS & FIRST AID DRILL




Labuan Base : 12 June 2024
Kemaman Base : 4 June 2024




Uzma Tower : 13 January 2024
Uzma Lab : 26 June 2024



QHSE ENGAGEMENT



Labuan Base : 12 June 2024
Kemaman Base : 4 June 2024







HEALTH SCREENING



Annually - at all locations

HSE COMMITTEE





Quarterly - at all locations

VENDOR SITE ASSESSMENT



Continuously - Total 13 VSA Conducted Continuously

QHSE STANDARDS & CERTIFICATIONS

Uzma benchmarks its performance against leading industry standards, including ISO 9001 for quality management, ISO 14001 for environmental management, and ISO 45001 for occupational health and safety. This alignment with international best practices ensures that our processes promote continuous improvement and excellence in QHSE performance. To demonstrate our commitment, we undergo regular assessments and certifications by recognized classification societies, adhering to stringent international standards. The Group has certification with the following international assurance standards :-

- **ISO 9001:2015** - Quality Management System ("QMS")
- **ISO 14001:2015** - Environmental Management System ("EMS")
- **ISO 45001:2018** - Occupational Health and Safety Management System ("OH&S")
- **API Spec Q1** - Quality Management System Requirements for Organizations Providing Products for the Petroleum and Natural Gas Industry

Note: The above applies to certain subsidiaries within Uzma that have obtained and maintained these standards.

These certifications cover our Quality Management System, Occupational Health & Safety Management System, and Environmental Management System for our key operational sites, including our Headquarters, Kemaman and Labuan Base. Aligning our business with these international standards not only demonstrates our capabilities but also builds economic confidence among our stakeholders. Additionally, we ensure complete compliance with legal requirements and client specifications, reinforcing our commitment to delivering exceptional QHSE performance.

COMPREHENSIVE EMPLOYEE COMPENSATION AND BENEFITS

Uzma is dedicated to ensuring equal pay for equal work, fully compliant with all relevant local laws such as the Minimum Wage Order 2022 with salary benchmarking to ensure our total remuneration remains competitive in the market. Our remuneration approach, including bonuses and salary increases, is based on merit. Additionally, we consider the cost of living as a key factor in determining the rate of our annual salary increases. We carefully evaluate employees' performance and their achievements in meeting personal KPIs, as well as their skills and qualifications. Additionally, we also continuously benchmark and review our compensation and benefits structure to ensure it remains competitive and affordable.

Our goal is to create a fair and competitive compensation framework that values employees' contributions and supports their professional growth. Uzma offers a comprehensive range of benefits to our full-time employees, including mandatory benefits under Malaysia's Employment Act of 1955 and additional benefits at our discretion. This ensures our remuneration package is attractive, helping us to recruit and retain top talent.

In addition, we also employ individuals from various nationalities while ensuring full compliance with the Employment Restriction Act 1968. Our operations span several countries, including Malaysia, Thailand, the Philippines, and Indonesia.

LEAVES	ALLOWANCES	BUSINESS TRAVELLING ENTITLEMENTS	MEDICAL, HOSPITALIZATION & INSURANCE	OTHERS
<ul style="list-style-type: none"> • Annual • Replacement • Offshore • Medical • Prolonged Illness • Marriage • Maternity & Paternity • Examination • Hajj • Compassionate • Special • Unpaid 	<ul style="list-style-type: none"> • Telecommunication • Transportation • Project • Hardship • Onshore & Offshore • Acting • Vacation • Marriage Gift • Newborn Gift • Bereavement Fund • Calamity Assistance 	<ul style="list-style-type: none"> • Mileage Claims • Toll & Parking Claims • Subsistence Allowance • Accommodation Allowance • Laundry Expenses Claim • Telecommunication & Internet Access Claims 	<ul style="list-style-type: none"> • Group Outpatient General Treatment • Group Hospitalization & Surgical • Group Personal Accident • Group Term Life 	<ul style="list-style-type: none"> • Professional Membership • Transfer / Relocation Benefits • Gym Membership Subsidy

TABLE 24: EMPLOYEE LEAVE, ALLOWANCES, ENTITLEMENTS, MEDICAL AND INSURANCE, AND OTHER BENEFITS

We are committed to providing our employees with competitive salaries and benefits that enhance their overall well-being. Our compensation and rewards system is regularly reviewed to ensure alignment with local market standards and equity principles. This comprehensive approach not only fosters a culture of fairness but also promotes employees' financial stability and quality of life, reflecting our dedication to creating a thriving, equitable, and harmonious workplace.

EMPOWER OUR WORKFORCE THROUGH HUMAN CAPITAL DEVELOPMENT

TRAINING AND DEVELOPMENT

At Uzma, we are committed to fostering a workforce that is adaptable, skilled, and ready to tackle new challenges. We emphasize the importance of continuous professional development and offer a wide range of training programs for all levels, from management to executives and non-executive staff. In FY2024, our dedication to training and development led to a total of 28,032 training hours (up from 21,444 hours in FY2023) and an investment of RM2 million (compared to RM1.92 million in FY2023). Our training programs cover a broad range of topics, including soft skills, mandatory operational courses, corporate responsibility, sustainability, and health and safety. The average training hours per employee increased to 31 hours in FY2024 from 29 hours in FY2023, demonstrating our commitment to enhancing our employees’ knowledge and skills.

Categories	FY2022	FY2023	FY2024
Total training hours Groupwide	2,120	21,444	28,032
Total training spend Groupwide	RM 0.25* million	RM 1.92 million	RM 2 million
Average training hours per employee	6.4* hours	29.0 hours	31.0 hours
Average training days per employee	0.95* days	3.59 days	3.91 days

Note: (*) Applies to employees from Uzma Berhad, Uzma Engineering Sdn. Bhd., Premier Enterprise Corporation (M) Sdn. Bhd., Uzma Environergy Sdn. Bhd., Geospatial AI Sdn. Bhd., Uzma LNG Sdn. Bhd., and Uzma Artificial Lift Sdn. Bhd. only.

TABLE 25: TRAINING AND DEVELOPMENT DATA FROM FY2022 TO FY2024

Total Training Hours by Employment Category	FY2022	FY2023	FY2024
Management	80*	1,084*	3,271*
Executive	330	1,712*	3,477*
Non-Executive	1,710	2,676*	3,508*

Note: (*) Applies to employees from Uzma Berhad, Uzma Engineering Sdn. Bhd., Premier Enterprise Corporation (M) Sdn. Bhd., Uzma Environergy Sdn. Bhd., Geospatial AI Sdn. Bhd., Uzma LNG Sdn. Bhd., and Uzma Artificial Lift Sdn. Bhd. only.

TABLE 26: BREAKDOWN OF TOTAL TRAINING HOURS BY EMPLOYMENT CATEGORY FROM FY2022 TO FY2024

Uzma’s training approach addresses various needs, including bridging performance or skills gaps, serving as a reward, boosting employee morale, retaining key staff, and developing future leaders to support succession planning. These programs not only provide essential competencies but also promote a culture of continuous learning, positioning Uzma as a top employer and leader in talent development within our industry. We actively invest in training through contributions to the Human Resource Development Fund, demonstrating our dedication to the growth and advancement of our employees.



TALENT ATTRACTION AND RETENTION

At Uzma, we understand that retaining and developing talent is crucial for our ongoing success. Our talent management strategy focuses on offering continuous learning and development, clear career progression, competitive compensation and benefits, and a supportive, inclusive work environment. We are committed to investing in our employees to foster a culture of excellence and innovation that drives our business forward.

Aligned with our values of equal opportunity and merit, Uzma ensures non-discrimination in recruitment, regardless of race, gender, age, marital status, or other demographic factors. We prioritize local talent while also considering international applicants for all positions. New hires receive comprehensive contracts detailing their roles, responsibilities, and compensation to ensure fairness and clarity.

Categories	FY2022	FY2023	FY2024
New hires	90	161	215
Male	60	110	170
Female	30	51	45
Turnover rate	17.43%	14.78%	10.5%

TABLE 27: NEW HIRES AND TURNOVER RATE

Our employees are central to our success, contributing their skills and enthusiasm to drive our growth. In FY2024, we welcomed 215 new team members, each adding value to our diverse workforce and reinforcing our dedication to nurturing fresh talent.

Employee turnover is a key factor in organizational stability and growth. In FY2024, our turnover rate was 10.5%, reflecting our focus on retaining skilled professionals. By fostering an environment that supports both personal and professional growth, we enhance our ability to keep the talented individuals who make Uzma a dynamic and innovative company. Our commitment to talent attraction and retention is integral to our strategic goals and long-term sustainability. A satisfied and engaged workforce is vital for our continued success, and we remain dedicated to attracting, developing, and retaining exceptional talent in the future.

ONBOARDING FOR NEW HIRES

In Uzma, new hires experience a thorough onboarding process designed to familiarize them with their rights and entitlements as outlined by national laws and the Group's policies. This process covers key areas such as human rights, anti-corruption measures, and ethical conduct, in line with good governance practices. Additionally, the induction helps new employees acclimate to organizational practices, engagement channels, and Uzma's culture, providing them with the support needed to adapt smoothly to their new work environment.

PREPARATION OF NEXT GENERATION OF LEADERSHIP

Uzma is deeply committed to developing future leaders and succession planning, exemplified by the launch of the High Individual Performance Program ("uzmaHIP") in FY2023. Since then, the program has identified many high-potential individuals, who are currently being prepared for key roles within the organization. Our dedication extends to performance management through the Personal Performance Appraisal ("PPA") System, which assesses employees based on set goals and frequent discussions with managers. This system informs our reward structure, including annual increments and promotions, and encourages a transparent, two-way appraisal process. By continuously integrating succession planning into our overall talent management strategy, Uzma not only secures a pipeline of capable leaders but also reinforces our commitment to sustained excellence and resilience in an ever-evolving business landscape.



EMPLOYEE PERFORMANCE MANAGEMENT

At Uzma, we are dedicated to nurturing our talented workforce and helping them reach their full potential. We strive to create a performance-driven environment where individuals passionate about excellence can thrive. To achieve this, we utilize the PPA which focuses on several key objectives:

- **Goal Setting and Assessment**
Employee performance is evaluated based on goals set within Key Results Areas and Work Objectives during the PPA process. Regular performance discussions between line managers and their team members ensure ongoing feedback and improvement.
- **Talent Development**
This comprehensive approach helps identify high-performing employees and potential leaders for future roles, facilitating targeted talent development.
- **Reward and Recognition**
The results from annual PPAs form the basis for our reward system. Increments, promotions, and performance bonuses are determined based on individual PPA ratings from the previous financial year.
- **Fair and Transparent Process**
Our appraisal system is a constructive, two-way process where employees can share their views on their performance. Employees have the right to accept or contest their appraisal scores, with an established grievance mechanism to address any concerns, ensuring fairness and transparency.

EMPLOYEE RECOGNITION PROGRAM

We recognize that the Employee Recognition Program is crucial for the social aspect of ESG as it enhances employee engagement and satisfaction, fosters a positive work environment, and supports diversity and inclusion. By providing fair and transparent recognition, it motivates employees, improves retention, and aligns with ESG goals by demonstrating a commitment to employee well-being and ethical practices. This program drives performance and innovation, contributing to a more dynamic and inclusive workplace.

Additionally, we invested approximately RM900K to support various engagement initiatives, including town halls, team-building activities, festival celebrations, regular staff meetings, and feedback mechanisms. We remain dedicated to fostering an engaging work environment where employees are motivated to thrive.

The employee recognition program initiative, called UzmaGRIT, was launched in early FY2020 to acknowledge and celebrate employees' efforts and achievements. The term "G.R.I.T." symbolizes an individual's perseverance and passion for success.

The primary objectives of UzmaGRIT are:

- To encourage repetition of the desired behaviors and
- To identify role models for Uzma employees



GO BEYOND

I stretch my limits to deliver extraordinary results.

OWN IT

I hold myself accountable to achieve the results and do not blame others.

OUT OF THE BOX

I am innovative in providing solutions that add value to Uzma and its customers.

WIN TOGETHER

I collaborate with others for the greater good of Uzma.

BETTER EVERYDAY

I continuously improve myself and my team (including learning from my mistakes).

CARE FOR ALL

I care about the well-being of myself and my team members. I am committed to ensuring that we work in a safe, secure, and healthy environment.

TABLE 28: UzmaGRIT CHARACTERISTICS

NURTURING TOMORROW'S TALENT

At Uzma, we are dedicated to fostering the next generation of talent and giving back to society through our robust internship program. This initiative is designed to provide students from local universities and colleges with a meaningful starting point in their professional careers. Understanding the challenges of transitioning from academics to the workplace, our program effectively bridges this gap.

Interns with us gain more than just work experience—they immerse themselves in Uzma's dynamic environment, benefiting from knowledge sharing and hands-on experience in their chosen field. Beyond technical skills, we focus on developing soft skills, building character, and nurturing potential future leaders.

In FY2024, we welcomed 22 students, which comprised 17 with degree qualifications and 5 with diploma qualifications to the Uzma family, as part of a youth employability initiative by Khazanah Nasional Berhad ("Khazanah") that aims to develop Malaysia's future talents. Their fresh perspectives and enthusiasm were met with guidance and support, helping them thrive professionally. Our internship program benefits both the students and Uzma by identifying and engaging with potential future employees, aligning with our vision and goals. Internship programs are important for community engagement as well as building our talent pipeline. We take pride in this program and remain committed to providing students with valuable opportunities to learn, grow, and potentially start their careers with us.

ENGAGEMENT WITH LOCAL COMMUNITIES

At Uzma, we recognize the importance of community engagement and our responsibility to contribute to the well-being of those around us. Our commitment to social responsibility is demonstrated through a range of initiatives and activities that embody our core values while driving positive, meaningful change. Below is an overview of our efforts and investment to engage with local communities in education, healthcare, infrastructure, and livelihood:

Green Garden Glow, SKA QEM - QEB HSE Event

Location: Sekolah Kebangsaan Tudan, Miri

Date: 26 August 2023

The HSE team collaborates with PCSB to organize various activities aimed at enhancing the school environment. These activities include with cleaning the school premises, repainting damaged walls, and engaging in gardening to create a pleasant and conducive learning atmosphere for the students.

Amount invested: RM7,500

World Clean Up Day 2023

Location:

Monica Bay Beach and Park at Terengganu
Shah Alam Lake Park at Selangor
Botanical Garden at Labuan

Date: 18, 22, 23 September 2023

Uzma conducted the World Clean Up Day 2023 event, which involved cleaning three areas. Our team collected a total of 257.5 kg of trash, ensuring a cleaner and safer area for all.

Amount invested: RM 2,500

Contribution to PIBG Sekolah Kebangsaan Anchi, Miri

Location: Sekolah Kebangsaan Anchi, Miri

Date: 19 September 2023

Financial support was provided to the PIBG of Sekolah Kebangsaan Anchi, Miri, to enhance school facilities and resources.

Amount invested: RM3,000

Sponsorship For Capstone and Best Academic Awards 2023

Location: Universiti Teknologi PETRONAS

Date: 3 October 2023

Sponsorship for the Capstone & Best Academic Awards 2023. The ceremony is to award the high achiever students in the field of engineering, is organized in conjunction with the 23rd Universiti Teknologi PETRONAS Convocation Ceremony.

Amount invested: RM1,000

Financial Contribution and Dormitory Supplies to Asrama Perkaya Marang, Terengganu

Location: Asrama Perkaya Marang, Terengganu

Date: 28 November 2023

Donation of funds and essential dormitory supplies to support the students residing at Asrama Perkaya Marang, Terengganu.

Amount invested: RM3,000

National Children's Day in Thailand

Location:

Angthong Special Education Center at Bangkok,
Watpratoo Chai School at Songkhla,
Ban Prue Phan Thai School at Lan Krabue

Date: 12 January 2024

We invested THB 20,000 to more than 200 students in supporting the daily consumable items, meals and cash contribution during the National Children's Day in Thailand.

Amount invested: RM 2,600



Beach Clean Up

Location: Pantai Remis, Kuala Selangor

Date: 17 February 2024

Contributed to a beach cleanup to promote environmental conservation and community involvement.

Amount invested: RM 5,000

Zoo Negara Green Project

Location: Zoo Negara Malaysia

Date: 2 March 2024

Uzma conducted a Green Project offered by Zoo Negara to create awareness regarding wildlife and indicate how the process keeps the animals active by stimulating their senses. Uzma also contributed a versatile 3in1 stroller for parents' convenience in carrying their children to Zoo Negara.

Amount invested: RM 6,200

Oasis of Love Program

Location: Griya Yatim & Dhuafa Institution, Jakarta.

Date: 21 February 2024

Uzma visited orphans in Griya Yatim & Dhuafa institution to support the community and provided financial aids aid aiming to improve the quality of life for the children living there.

Amount invested: RM 2,000

Bubur Lambuk Distribution Ramadan 2024

Location: Masjid Al-Bukhary, Jalan Hang Tuah

Date: 14 March 2024

Distributed 900 packs of Bubur Lambuk to the community at Masjid Al-Bukhary, Jalan Hang Tuah, to encourage a sense of togetherness and highlight the importance of giving and unity during Ramadan.

Amount invested: RM3,000

Iftar with Pertubuhan Kebajikan Islam (Mahabbah)

Location: Pantai Mak Nik, Kemaman, Terengganu

Date: 3 April 2024

Uzma collaborated with a joint endeavor involving SPE Terengganu, PCSB PMA, DB, Welltec, Archer, and Essem. Uzma facilitated the purchasing of one washing machine, four ceiling fans, two stand fans, along with hampers and dry food provisions.

Amount invested: RM 5,000

These initiatives reflect our unwavering commitment to creating a lasting, positive impact on local communities. At Uzma, we believe that collective efforts pave the way for a brighter, more prosperous future for all. In line with this belief, the number of activities for community engagement increased for FY2024 compared to FY2023, further reinforcing our dedication to driving meaningful change.

	FY2022	FY2023	FY2024
Total Amount invested in the community	RM 13,000	RM 51,000	RM 40,800
Number of community engagement activities	4	12	15



GOVERNANCE

The Governance pillar of Uzma's Sustainability Framework underpins our unwavering commitment to integrity, transparency, and accountability. It ensures that all our operations comply with legal standards, regulations, and industry best practices. By emphasizing ethical leadership, rigorous compliance, and effective risk management, we aim to build and maintain trust both within our organization and with our stakeholders. Our ongoing efforts to enhance governance practices are essential for long-term success and for upholding the confidence of all those we serve.



ETHICAL BUSINESS PRACTICES

CORPORATE GOVERNANCE AND POLICIES

Uzma is steadfast in its commitment to the highest standards of corporate governance, focusing on creating sustainable value for all stakeholders. The Board plays a crucial role in defining the Group's strategic direction and implementing policies that strengthen our governance practices. Our governance framework is supported by a robust array of organizational policies, codes, charters, and Terms of References, which include, but are not limited to:

- Board Charter
- Terms of Reference for
 - Audit Committee
 - Nomination and Remuneration Committee
 - Sustainability and Risk Management Committee
- Code of Conduct and Business Ethics
- Limits of Authority
- Anti-Bribery Policy
- Directors' Fit and Proper Policy
- QHSE Policy
- Whistleblowing Policy
- Conflict of Interest Policy
- People Handbook
- Human Rights Policy

For more information on our corporate governance practices, including details on our governance structure and policies, please refer to the Corporate Governance Overview Statement in this Annual Report and the Corporate Governance Report available on Uzma's website at www.uzmagroup.com. These resources further demonstrate our dedication to transparency and accountability.

BOARD COMPOSITION DIVERSITY

Our Board is fundamental to the long-term success of the Group, driving sustainable value creation while serving the best interests of our stakeholders. To strengthen our decision-making processes, we have carefully structured the Board with individuals who bring diverse professional backgrounds and expertise. This diversity enhances our strategic insights, fostering more comprehensive and well-informed governance.

When evaluating potential Board members for appointment, we take into account a range of criteria, including:

BOARD GENDER BREAKDOWN

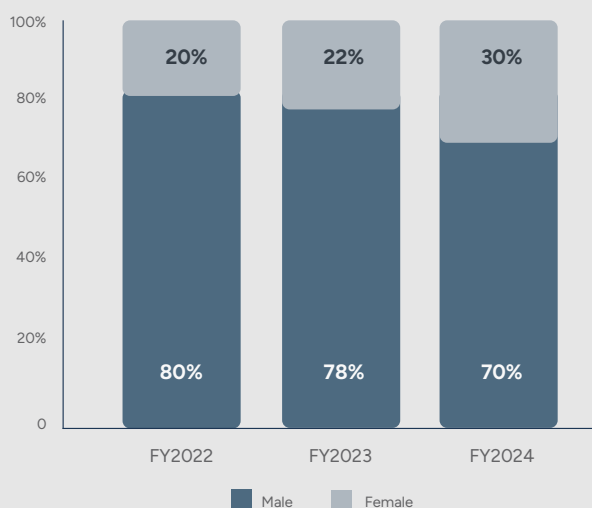


FIGURE 13: BREAKDOWN OF BOARD COMPOSITION BY GENDER FROM FY2022 TO FY2024

BOARD AGE BREAKDOWN

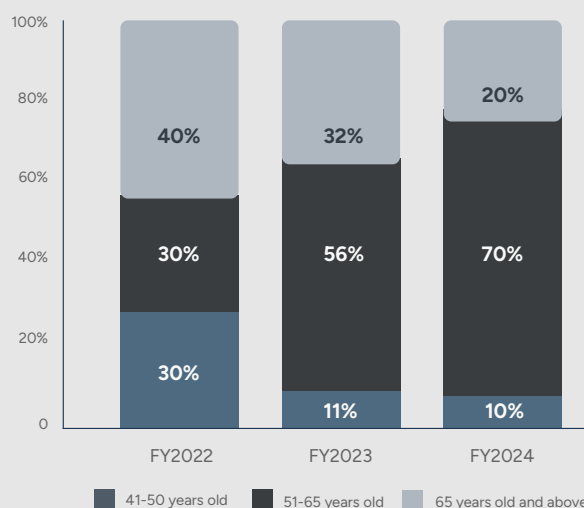


FIGURE 14: BREAKDOWN OF BOARD COMPOSITION BY AGE GROUP FROM FY2022 TO FY2024

Categories		FY2022	FY2023	FY2024
Gender	Male	8	7	7
	Female	2	2	3
Age	41 – 50	3	1	1
	51 – 65	3	5	7
	Aged > 65	4	3	2
Nationality	Malaysian	10	9	10
	Non-Malaysian	0	0	0

TABLE 28: BREAKDOWN OF BOARD COMPOSITION FROM FY2022 TO FY2024

Our current Board is composed of professionals with diverse expertise, including chartered accountants and members of engineering associations. Notably, seven out of nine members are independent directors, underscoring our dedication to leadership integrity. To maintain the Board's effectiveness, we conduct annual evaluations. In alignment with Bursa Securities' goal of achieving 30% women representation on boards, gender diversity is also a key consideration when assessing potential candidates. As of FY2024, we are happy to announce that women represent 30% of our Board, and all members are proud to be Malaysians - meeting Bursa's requirement.

Name of Directors	Auditing / Taxation	Civil Service	General Management / Business / Sales & Marketing	Human Resources	Oil & Gas / Engineering	Banking / Financial Services	Legal
Datuk Abdullah Bin Karim <i>Independent Non-Executive Chairman</i>			✓		✓		
Dato' Kamarul Redzuan Bin Muhamed <i>Managing Director / Group Chief Executive Officer</i>			✓		✓		
Dato' Che Nazahatuhisamudin Bin Che Haron <i>Executive Director</i>			✓		✓		
Encik Yahya Bin Razali* <i>Independent Non-Executive Director</i>	✓	✓	✓			✓	
Datuk Seri Dr. Zurainah Binti Musa <i>Independent Non-Executive Director</i>		✓	✓	✓			
Encik Ikhlas Bin Abdul Rahman <i>Independent Non-Executive Director</i>			✓		✓		
YM Tengku Ezuan Ismara Bin Tengku Nun Ahmad <i>Independent Non-Executive Director</i>	✓		✓	✓		✓	✓
Datuk Farisha Binti Pawan Teh <i>Independent Non-Executive Director</i>		✓	✓	✓			
Encik Mazli Zakuan Bin Mohd Noor <i>Independent Non-Executive Director</i>		✓	✓		✓	✓	

TABLE 29: BREAKDOWN OF BOARD QUALIFICATION AND SKILLS

Name of Directors	Auditing / Taxation	Civil Service	General Management / Business / Sales & Marketing	Human Resources	Oil & Gas / Engineering	Banking / Financial Services	Legal
Dato' Nasri Bin Nasrun** Non-Independent Non-Executive Director	✓		✓			✓	
Datin Rozita Binti Mat Shah @Hassan*** Executive Director			✓	✓	✓		

Notes:

(*) Encik Yahya Bin Razali retired on 30 November 2023

(**) Dato' Nasri Bin Nasrun was appointed to the Board on 20 February 2024

(***) Datin Rozita Binti Mat Shah @ Hassan was appointed to the Board on 1 June 2024

ROBUST ANTI-BRIBERY AND CORRUPTION STANCE

At Uzma, we are deeply committed to delivering value to our customers, employees, and stakeholders by upholding the highest standards of integrity and QHSE. We are dedicated to enforcing systems that prevent all forms of corruption and bribery, with a focus on achieving superior financial and operational results while maintaining exemplary business conduct. Uzma adopts a strict zero-tolerance policy against bribery and corruption, not only within the Group but also across our entire value chain and in relationships with business partners. Our unwavering commitment to ethical conduct is reflected in mandatory induction sessions for new employees, which include anti-bribery and corruption briefings, alongside familiarization with established company policies, COBE and the Anti-Bribery Policy. Anti-corruption awareness is continuously reinforced through various channels, including the Group's website, email notifications, and the People Handbook. The Anti-Bribery Policy explicitly outlines the conduct expected regarding the giving or receiving of business courtesies, such as gifts, meals, or entertainment. Employees are strictly prohibited from offering or accepting monetary gifts, loans, or other financial incentives. Business courtesies are only permissible if they are reasonable, appropriate, and do not create an appearance of improper bias.

Uzma's commitment to combating bribery and corruption is further strengthened by its membership in TRACE International, Inc., a globally recognized anti-bribery business association. Additionally, the Group maintains its stance as an apolitical organization, with no political donations or contributions made during FY2024, though it may participate in nation-building events organized by the government. Notably, there were zero confirmed incidents of corruption or violations of the Anti-Bribery Policy during FY2024. To reinforce this commitment, Uzma conducted 4 organization-wide training sessions in FY2024 on anti-bribery and corruption, specifically on the applicability of Section 17A of the Malaysian Anti-Corruption Commission Act 2009, attended by employees across the Group. Our Anti-Bribery Policy, approved by the Board in May 2020, provides comprehensive guidelines for internal and external parties and ensures full compliance with Malaysia's anti-corruption regulations. The Board, as the highest governing body, has oversight of all anti-bribery and corruption matters, with periodic reviews to reflect any legislative updates.

The full Anti-Bribery Policy is available on Uzma's website and applies to all individuals working for any company within the Group, including the Board, senior management, and employees.

WHISTLEBLOWING AND GRIEVANCE MECHANISM

Uzma Berhad's Whistleblowing Policy, established by the Board of Directors, is a cornerstone of the Group's commitment to eradicating fraud, corruption, and unethical conduct. This Policy applies to all Directors, employees, stakeholders, and the general public in every country where Uzma operates. It fosters a safe environment where individuals can report serious misconduct, illegal acts, or unethical business practices without fear of retaliation. This includes issues such as fraud, corruption, financial irregularities, dishonesty, criminal activities, personal misconduct, and significant breaches of internal policies. The Policy is not intended for personal grievances, frivolous complaints, or matters already subject to legal proceedings. Uzma adheres to several guiding principles in executing the Policy, such as actively encouraging employees to report unlawful or unethical situations, ensuring that all reports are handled discreetly, promptly, and confidentially, protecting whistleblowers from retaliation, and ensuring fair treatment for all parties involved. These principles reflect Uzma's dedication to maintaining a culture of integrity and responsibility across the organization. The Whistleblowing Policy clearly outlines the process for reporting wrongdoings, offering the option for anonymous disclosures, and providing contact details for designated recipients within the company. It specifies the steps for handling reports—from documentation and assessment to determining corrective actions. Additionally, the Policy stresses the importance of keeping whistleblowers informed about the progress of their disclosures while safeguarding their identities throughout the process.

Periodic reviews ensure the Policy remains relevant and effective, with all disclosures being reported to the Board. To further reinforce the importance of this Policy, Uzma plans to continuously conduct training sessions to educate employees on how to properly report concerns. In FY2024, no whistleblowing or grievance cases were reported, reflecting the effectiveness of the existing governance mechanisms.

All Disclosures, whether in writing, or via email, should be directed to the Audit Committee Chairman at whistleblowing@uzmagroup.com. A Disclosure shall, where possible, include the following particulars:

- the Whistleblower's name, whether he/she is an Employee of Uzma Group or the organisation he/ she belongs with;
- the basis or reasons for his/her concerns, including as many details as reasonably possible, in relation to the Wrongdoing;
- particulars of witnesses, if any; and
- particulars of documentary information or evidences, if any.

CODE OF CONDUCT AND BUSINESS ETHICS (“COBE”)

Uzma stands firm in its commitment to maintaining the highest standards of integrity and ethical conduct, both within the organization and in its dealings with external stakeholders. This commitment extends to all parties, including directors, employees, clients, shareholders, and the broader community. To reinforce this dedication, Uzma has established its COBE, a comprehensive policy designed to guide employees and directors in performing their duties with the highest level of personal and corporate integrity. COBE applies to all interactions within the Group and with external stakeholders, serving as a framework to ensure that every employee and director operates in full compliance with applicable laws, regulations, and the company's policies and procedures. Beyond legal and procedural adherence, COBE acts as a moral guide, ensuring that individual behavior is aligned with Uzma's corporate values, as outlined in the uzmaWAY. Employees are expected to uphold the following key principles, fostering a culture of trust, responsibility, and ethical business practices across all levels of the organization:

- Conduct themselves with propriety and decorum at all times, reflecting the Company's good standing.
- Support the Company's policies, procedures, and practices.
- Fulfill the responsibilities assigned by the Company and its related entities within the Group while consistently promoting and advancing the Company's interests.
- Devote their professional efforts exclusively to the Company, refraining from direct or indirect engagement in other forms of employment or service.

The Group upholds the highest standards of ethical business conduct and operates in full compliance with all applicable laws and regulations. During the reporting period, there were no legal actions initiated against the company related to anti-competitive behavior, anti-trust, or monopoly practices. This reflects our commitment to fair competition and responsible market conduct in alignment with our sustainability principles.

SUPPLY CHAIN GOVERNANCE AND PROCESSES

Supply Chain Governance and Processes are essential for ESG performance, contributing to long-term value creation, risk mitigation, and ensuring compliance and transparency. Uzma understands the importance and is committed to promoting strong and fair supply chain governance by adhering to the highest ethical standards. Responsible sourcing at Uzma involves procuring products and services in a way that is aligned with ethical, sustainable, and socially responsible practices. At the core of this commitment is the Uzma COBE, which integrates anti-corruption measures and action plans that are critical in fostering ethical practices and supporting the national anti-corruption agenda within the Group's supply chain. Furthermore, our procurement team goes through proper training regarding COBE during onboarding and knowledge sharing sessions. Uzma sets high standards for its business partners in combating bribery and corruption, requiring strict adherence to the principles outlined in the Anti-Bribery Policy.

Employees engaging third-party partners on behalf of Uzma are responsible for conducting thorough due diligence. Additionally, all suppliers and vendors are required to acknowledge and confirm their understanding of the Uzma COBE, Anti-Bribery Policy, and other relevant policies as a condition for doing business with the Group. The COBE addresses human rights, modern slavery, child labor, anti-discrimination, and other related business ethics matters.

EVALUATING SUPPLY CHAIN INTEGRITY

Uzma diligently updates its vendor and supplier list and places significant emphasis on the due diligence process for all third-party engagements. Prior to forming any partnerships, we conduct a thorough evaluation to ensure that we collaborate only with those who meet our high standards of business integrity. This due diligence involves a detailed review of economic, legal, fiscal, and financial factors. Vendors must complete the Vendor Registration Form and provide key documents, including their company profile, financial reports, and relevant health and safety policies. A comprehensive review is then carried out for all potential new suppliers during the registration process, but they will initially be placed on the Potential Vendor List. Additionally, suppliers are also required to sign and acknowledge the COBE which include code for prevention of child labour, modern slavery and anti-discrimination. This rigorous approach ensures that our partners maintain robust governance and uphold ESG standards within their own operations.

RESPONSIBLE SOURCING STRATEGIES

At Uzma, responsible procurement and purchasing are guided by the Standard Operating Procedure (“SOP”) for Procurement and Payables. This SOP ensures that our acquisitions meet the highest standards of quality, value, quantity, timeliness, and location, while prioritizing positive environmental impact. We are committed to working with vendors who adhere to sustainable practices, thus fostering a marketplace that supports environmental stewardship. Our procurement processes are designed to be efficient and transparent, upholding professional best practices and ethical standards. By carefully monitoring and optimizing vendor contracts, we aim to maximize both operational effectiveness and our positive environmental footprint.

VENDOR PERFORMANCE ASSESSMENT AND AUDITS

To uphold the highest standards of supply chain integrity and its positive environmental and social impact, Uzma rigorously evaluates vendor performance through comprehensive processes. This includes conducting Vendor Performance Evaluation (“VPE”), Vendor Site Assessment (“VSA”) and annual performance assessments for all suppliers whereby results are always shared with management. In FY2024, 244 vendors were evaluated to ensure they meet Uzma's stringent supply chain integrity standards. Additionally, we conducted 13 VSA activities in FY2024. We place a strong emphasis on assessing both local and international vendors to ensure reliability and the smooth operation of our supply chain. Should there be any vendors that are non-compliance or with low results based on their VPE/VSA, a Notice of Concern and/or Reminder letter will be submitted to vendors. Additionally, they will be registered as an Inactive Vendor in AVL should there be no improvement in their performance. This evaluation process not only ensures adherence to our ethical and operational standards but also supports our ESG goals by fostering responsible and sustainable practices among our partners. The assessments are facilitated through Uzma's internal vendor evaluation tool, which assigns grading scores to ensure continuous improvement and alignment with our ESG objectives.

CATEGORIES	FY2022	FY2023	FY2024
Excellent (>90%)	1	2	29
Good (70% - 89%)	7	61	143
Fair (50% - 69%)	1	24	71
Poor (<49%)	0	1	1
TOTAL VENDORS ASSESSED	9	88	244

TABLE 30: VENDOR ASSESSMENT SUMMARY OVER THREE FINANCIAL YEARS

The Head of Supply Chain at Uzma is responsible for reviewing and endorsing the evaluation forms for all vendors. If a vendor receives a rating below average in the evaluation, they will be called to a meeting with the Group to address performance issues. Should the vendor's performance fail to improve, Uzma will issue a warning letter. Persistent poor performance despite these warnings will lead to the vendor's termination. Starting mid-FY2024, Uzma's Group Supply Chain Management department will enhance the vendor screening process by incorporating more rigorous and explicit ESG criteria. This expanded screening will address employment practices, including human rights, child labor, and forced or compulsory labor, as well as health and safety standards. Additionally, our QHSE policies are also communicated to vendors during evaluation. This proactive enhancement reflects Uzma's steadfast commitment to fostering sustainable and responsible supply chain practices. For FY2025, Uzma is committed to expanding and enhancing its initiatives related to supply chain governance and ESG criteria. Building on the improvements made in FY2024, we will introduce additional measures to further strengthen our vendor evaluation and screening processes - aligning with our high standards of integrity and sustainability goals.

REGULATORY COMPLIANCE

Uzma prioritizes regulatory compliance as a fundamental pillar of our operational sustainability. Ensuring adherence to regulations is crucial to maintaining our license to operate and mitigating risks related to corruption, pollution, modern slavery, and data privacy. We are committed to meeting regulatory requirements by publishing our financial performance and corporate announcements on a timely basis, and providing governance-related disclosures on our website, in line with Uzma's listing obligations. Additionally, we are dedicated to upholding fair competition principles and avoiding any anti-competitive practices or misuse of our market position. Our policies strictly prohibit collusion, price-fixing, bid coordination, and other forms of market manipulation. To maintain rigorous regulatory compliance, we continuously monitor regulatory changes and integrate this process into our comprehensive Risk Management and Internal Control framework, ensuring that we adhere to all relevant laws and industry standards.

DATA PRIVACY AND CYBER SECURITY

At Uzma, safeguarding data privacy and cybersecurity is central to our commitment to business continuity. Given the extensive and sensitive data we manage across our operations, supply chain, and customer interactions, maintaining the highest levels of data confidentiality is essential. We rigorously comply with the Personal Data Protection Act 2010 and implement robust internal security measures for our core applications to ensure high availability and resilience. For FY2024, Uzma appointed a third-party consultant to conduct a gap analysis of our data privacy and cybersecurity processes, using ISO 27001 as the benchmark. Following this, we established an Information Security Committee in February 2024 to further enhance our security framework. Our comprehensive IT security system is designed to detect and prevent both known and emerging cyber threats. In FY2024, our strong data protection protocols were validated by the absence of any substantiated complaints regarding customer privacy breaches or data losses, and no instances of data breaches or regulatory non-compliance occurred. This track record highlights our unwavering dedication to maintaining stringent data protection standards.



OUR ESG PERFORMANCE DATA

ECONOMICS PERFORMANCE

DISCLOSURES	UNIT	FY2022	FY2023	FY2024
SUPPLY CHAIN MANAGEMENT				
Total procurement spend	RM mil	126.1	94.4	225.1
Total procurement spend on local suppliers	RM mil	86.4	56.9	111.2
Total procurement spend on foreign suppliers	RM mil	39.7	37.5	113.9
Proportion of spending on local suppliers	%	69	60	49
Total number of registered active vendors	Number	1,664	1,826	1,918
Number of registered local vendors	Number	1,353	1,480	1,549
Number of registered foreign vendors	Number	311	346	369
Percentage of registered local vendors	%	81	81	81

ENVIRONMENTAL PERFORMANCE

DISCLOSURES	UNIT	FY2022	FY2023	FY2024
Environmental fines and penalties incident	Number	0	1	1
ENERGY				
Total fuel consumption (diesel)	Liters	549,172	94,439	374,744
Total electricity consumption	kWh	380,827	388,407	416,155
EMISSIONS				
Scope 1 emission (fuel)	TCO ₂ e	1,501	258	1,024
Scope 2 emission (electricity)	TCO ₂ e	297	303	324
Scope 2 emission (electricity)	TCO ₂ e	1,790	552	1,339
WATER CONSUMPTION				
Total volume of water use (municipal water supply)	megaliter	1.7	2.4	2.4
Total volume of water use (extracted from seawater)	megaliter	1,543	1,435	1,386
WASTE AND EFFLUENT				
Scheduled Waste	MT	17.55	30.3	43.18
Number of minor environmental spills	Number	2	1	1
Number of major environmental spills	Number	0	0	0

(1) Non-compliance resulting in paid fines or penalty

(NIL) Data unavailable or undisclosed in the previous year or incompatible with reporting format

SOCIAL PERFORMANCE

DISCLOSURES	UNIT	FY2022	FY2023	FY2024
HSE PERFORMANCE				
Total manhours worked	Hours	1,807,990	1,419,852	1,831,543
Number of work-related fatalities	Number	0	0	0
Fatality rate	Rate	0.00	0.00	0.00
Number of Lost Time Injury ("LTI")	Number	0	0	0
Lost Time Incident Rate ("LTIR")	Rate	0.00	0.00	0.00
Number of Restricted Work Case ("RWC")	Number	1	2	0
Number of Medical Treatment Case ("MTC")	Number	0	0	1
Number of First Aid Case ("FAC")	Number	2	2	2
Number of Near Miss ("NM")	Number	3	0	2
Number of Occupational Illness ("OI")	Number	0	0	0
Number of Major Fire / Explosion	Number	0	0	0
Number of Minor Fire	Number	1	0	0
Number of Property Damage ("PD") / Property Lost ("PL")	Number	1	0	2
Number of Motor Vehicle Accident ("MVA")	Number	1	0	0
Number of Major / Minor Spill ("LOPC")	Number	2	1	1
Number of Environmental Pollution	Number	0	0	0

DISCLOSURES	UNIT	FY2022	FY2023	FY2024
WORKFORCE DIVERSITY				
Total workforce	Number	748	771	885
Breakdown of employees, by nationality				
• Malaysian employees	%	78	78	76
• Non-Malaysian employees	%	22	22	24
Breakdown of employees, by employment category				
• Permanent employees	%	66	74	68
• Contract employees	%	34	26	32
Managerial employees:				
• Male	%	12	12	12
• Female	%	5	4	5
• Aged 30 and below	%	0	0	0
• Aged 31 – 50	%	14	12	12
• Aged 51 – 60	%	3	3	3
• Aged 61 years and above	%	0	0	0
• Malay	%	13	13	12
• Chinese	%	0	1	1
• Indian	%	0	0	0
• Other ethnicities	%	3	2	4
• Number (percentage) of disabled employee	Number (%)	0 (0%)	0 (0%)	0 (0%)

DISCLOSURES

UNIT

FY2022

FY2023

FY2024

Executive employees:

• Male	%	13	12	14
• Female	%	11	11	11
• Aged 30 and below	%	9	10	11
• Aged 31 – 50	%	14	13	13
• Aged 51 – 60	%	1	0	1
• Aged 61 years and above	%	0	0	0
• Malay	%	17	17	17
• Chinese	%	1	1	0
• Indian	%	0	0	0
• Other ethnicities	%	6	5	7
• Number (percentage) of disabled employee	Number (%)	0 (0%)	0 (0%)	0 (0%)

Non-executive employees:

• Male	%	53	54	52
• Female	%	6	7	6
• Aged 30 and below	%	18	19	18
• Aged 31 – 50	%	35	35	34
• Aged 51 – 60	%	6	6	8
• Aged 61 years and above	%	1	1	0
• Malay	%	30	30	28
• Chinese	%	1	1	1
• Indian	%	0	0	0
• Other ethnicities	%	28	31	30
• Number (percentage) of disabled employee	Number (%)	0 (0%)	0 (0%)	0 (0%)

HIRING AND ATTRITION

Total new hires	Number	90	161	215
New hires (male)	%	67	68	79
New hires (female)	%	33	32	21
New hires aged 30 and below	%	-	-	48
New hires aged 31 – 50	%	-	-	42
New hires aged 51 – 65	%	-	-	10
New hires aged 65 and above	%	-	-	0
New hires with disabilities, or from underprivileged groups	%	-	-	0

DISCLOSURES

UNIT

FY2022

FY2023

FY2024

TRAINING AND DEVELOPMENT

Total training spend Groupwide	RM mil	0.25*	1.92	2
Total training hours Groupwide	Hours	2,120*	21,444	28,048
Average training hours per employee	Hours	6.4*	29	31
Average training days per employee	Days	0.95*	3.59	3.91

Total training hours by employment category:

• Management	Hours	80*	1,084*	3,271*
• Executives	Hours	330*	1,712*	3,477*
• Non-executives	Hours	1,711*	2,676*	3,508*

Total average training hours by employment category:

• Management	Hours	4.44*	34.82*	30
• Executives	Hours	3.83*	18.21*	22.88
• Non-executives	Hours	10.56*	23.27*	9.46

(*) Applies to employees from Uzma Berhad, Uzma Engineering Sdn. Bhd., Premier Enterprise Corporation (M) Sdn. Bhd., Uzma Environergy Sdn. Bhd., Geospatial AI Sdn. Bhd., Uzma LNG Sdn. Bhd., and Uzma Artificial Lift Sdn. Bhd.

EMPLOYEE BENEFITS AND REMUNERATION

Total payments to employees in terms of salaries, bonuses, and benefits	RM mil	63	51	65.4
Statutory payments made for employees' retirement benefits ("EPF")	RM mil	11.5	11.8	5.1
Total SOCSO payment made for employees' medical insurance	RM mil	0.70	0.77	0.58
Number of employees entitled for maternity and paternity leave	Number	747	767	561
Number of employees who took paternity leave	Number	18	17	20
Number of employees who took maternity leave	Number	14	14	15
Male employees return to work rates (return to work after parental leave period)	%	100	100	100
Female employees return to work rates (return to work after parental leave period)	%	100	100	100
Male employee's retention rates (remain with the organisation for 12 months or more post parental leave)	%	100	100	100
Female employee's retention rates (remain with the organisation for 12 months or more post parental leave)	%	100	100	100

EMPLOYEE ENGAGEMENT

Employee satisfaction level	%	-	-	79
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DISCLOSURES	UNIT	FY2022	FY2023	FY2024
COMMUNITY ENGAGEMENT				
Total amount invested in the community	RM	13,000	51,000	40,800
Number of community engagement activities	Number	4	12	15

GOVERNANCE PERFORMANCE

DISCLOSURES	UNIT	FY2022	FY2023	FY2024
CORPORATE GOVERNANCE				
Total number of Directors	Number	10	9	10
Total number and percentage of Directors by gender:				
• Male	Number (%)	8 (80%)	7 (78%)	7 (70%)
• Female	Number (%)	2 (20%)	2 (22%)	3 (30%)
Number and percentage of independent directors	Number (%)	8 (80%)	7 (77%)	5 (50%)
Total number and percentage of Directors by age group:				
• Aged < 30	Number (%)	0 (0%)	0 (0%)	0 (0%)
• Aged 31 - 50	Number (%)	3 (30%)	1 (11%)	1 (10%)
• Aged 51 - 65	Number (%)	3 (30%)	5 (56%)	7 (70%)
• Aged > 65	Number (%)	4 (40%)	3 (33%)	2 (20%)
Total number and percentage of Directors by ethnicity:				
• Malay	Number (%)	10 (100%)	9 (100%)	10 (100%)
• Others	Number (%)	0 (0%)	0 (0%)	0 (0%)
Total number and percentage of Directors by nationality:				
• Malaysian	Number (%)	10 (100%)	9 (100%)	10 (100%)
• Foreign	Number (%)	0 (0%)	0 (0%)	0 (0%)
Number/percentage of Directors with disabilities	Number / %	0 (0%)	0 (0%)	0 (0%)

ANTI-CORRUPTION

Number of Directors and employees who have received training on anti-corruption by employee category:				
• Directors	Number	2	0	2
• Employees	Number	0	144	113
Confirmed incidents of corruption	Number	0	0	0
• Cost of fines, penalties, or settlements in relation to corruption	RM	0	0	0
Total number of confirmed incidents in which employees were dismissed or disciplined for corruption	Number	0	0	0
Public legal cases regarding corruption brought against the organisation or its employees during the reporting period and the outcomes of such cases	Number	0	0	0

DATA PRIVACY AND SECURITY

Public legal cases regarding corruption brought against the organisation or its employees during the reporting period and the outcomes of such cases	Number	0	0	0
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BURSA MANDATORY ESG REPORTING

SUSTAINABILITY PERFORMANCE REPORT

INDICATORS	UNIT	2022	2023	2024
Bursa (Supply chain management)				
Bursa C7(a) Proportion of spending on local suppliers	Percentage	69.00	60.00	49.00 *
Bursa (Energy management)				
Bursa C4(a) Total energy consumption	Megawatt	380.00	388.00	416.00 *
Bursa (Water)				
Bursa C9(a) Total volume of water used	Megalitres	1.668000	2.420000	2.401000 *
Bursa (Diversity)				
Bursa C3(a) Percentage of employees by gender and age group, for each employee category				
Age Group by Employee Category				
Senior Management Aged 30 and below	Percentage	0.00	0.00	0.00
Senior Management Aged 31 - 50	Percentage	38.00	46.00	50.00 *
Senior Management Aged 51 - 65	Percentage	62.00	54.00	50.00 *
Senior Management Aged 65 and above	Percentage	0.00	0.00	0.00
Middle Management Aged 30 and below	Percentage	0.00	0.00	3.00 *
Middle Management Aged 31 - 50	Percentage	92.00	88.00	84.00 *
Middle Management Aged 51 - 65	Percentage	8.00	12.00	13.00 *
Middle Management Aged 65 and above	Percentage	0.00	0.00	0.00
Executive Aged 30 and below	Percentage	37.00	44.00	45.00 *
Executive Aged 31 - 50	Percentage	61.00	41.00	53.00 *
Executive Aged 51 - 65	Percentage	2.00	15.00	2.00 *
Executive Aged 65 - above	Percentage	0.00	0.00	0.00
Non-executive Aged 30 and below	Percentage	30.00	30.00	30.00 *
Non-executive Aged 31 and 50	Percentage	59.00	59.00	58.00 *
Non-executive Aged 51 and 65	Percentage	11.00	11.00	12.00 *
Non-executive Aged 61 and above	Percentage	0.00	0.00	0.00
Gender Group by Employee Category				
Senior Management Male	Percentage	83.00	92.00	93.00 *
Senior Management Female	Percentage	17.00	8.00	7.00 *
Middle Management Male	Percentage	66.00	68.00	66.00 *
Middle Management Female	Percentage	34.00	32.00	34.00 *
Executive Male	Percentage	54.00	53.00	57.00 *
Executive Female	Percentage	56.00	47.00	43.00 *
Non-executive Male	Percentage	90.00	89.00	90.00 *
Non-executive Female	Percentage	10.00	11.00	10.00 *
Bursa C3(b) Percentage of directors by gender and age group				
Male	Percentage	80.00	78.00	70.00 *
Female	Percentage	20.00	22.00	30.00 *
Aged 30 and below	Percentage	0.00	0.00	0.00
Aged 31 - 50	Percentage	30.00	11.00	10.00 *
Aged 51 - 65	Percentage	30.00	56.00	70.00 *
Aged 61 and above	Percentage	40.00	33.00	20.00 *

Internal assurance

External assurance

No assurance

(*)Restated

INDICATORS	UNIT	2022	2023	2024
Bursa (Health and safety)				
Bursa C5(a) Number of work-related fatalities	Number	0	0	0
Bursa C5(b) Lost time incident rate ("LTIR")	Rate	0.00	0.00	0.00
Bursa C5(c) Number of employees trained on health and safety standards	Number	110	136	143 *
Bursa (Labour practices and standards)				
Bursa C6(a) Total hours of training by employee category				
Senior Management	Hours	61	188	888 *
Middle Management	Hours	19	896	2,383 *
Executive	Hours	330	1,712	3,477 *
Non-executive	Hours	1,711	2,676	3,508 *
Bursa C6(b) Percentage of employees that are contractors or temporary staff	Percentage	34.00	26.00	32.00 *
Bursa C6(c) Total number of employee turnover by employee category Senior Management				
Senior Management	Number	1	2	0
Middle Management	Number	17	24	15 *
Executive	Number	48	54	25 *
Non-executive	Number	79	38	46 *
Bursa C6(d) Number of substantiated complaints concerning human rights violations	Number	0	0	0
Bursa (Community/Society)				
Bursa C2(a) Total amount invested in the community where the target beneficiaries are external to the listed issuer	MYR	13,000.00	51,000.00	40,800.00 *
Bursa C2(b) Total number of beneficiaries of the investment in communities	Number	4	12	15 *
Bursa (Anti-corruption)				
Bursa C1(a) Percentage of employees who have received training on anticorruption by employee category				
Senior Management	Percentage	0.00	58.00	57.00*
Middle Management	Percentage	0.00	43.00	24.00*
Executive	Percentage	0.00	45.00	28.00*
Non-executive	Percentage	0.00	5.00	2.00*
Bursa C1(b) Percentage of operations assessed for corruption-related risks	Percentage	0.00	0.00	0.00
Bursa C1(c) Confirmed incidents of corruption and action taken	Number	0.00	0.00	0.00
Bursa (Data privacy and security)				
Bursa C8(a) Number of substantiated complaints concerning breaches of customer privacy and losses of customer data	Number	0	0	0

Internal assurance

External assurance

No assurance

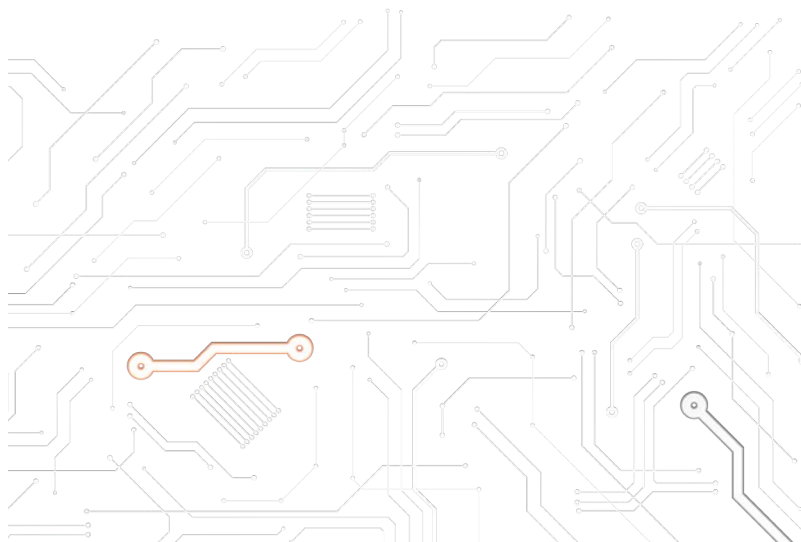
(*)Restated

GRI STANDARDS

2021 CONTENT INDEX

GRI STANDARD	CODE	DISCLOSURE	LOCATION	PAGE
GRI 2: General Disclosures 2021	2-1	Organisational details	Corporate Information	30
	2-2	Entities included in the organisation's sustainability reporting	Corporate Structure	32
			About This Statement	84
	2-3	Reporting period, frequency and contact point	About This Statement	84
	2-4	Restatements of information	N/A	-
	2-5	External assurance	Statement of Assurance	85
	2-6	Activities, value chain and other business relationships	Who We Are	10
			What We Do	12
			Our Asset	14
	2-7	Employees	Breakdown of employees, by employment category	139
	2-8	Workers who are not employees	Employee Breakdown by Employment Type	114
	2-9	Governance structure and composition	Corporate Governance Overview Statement	154
	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	Sustainability Governance	89
	2-15	Conflicts of interest	Corporate Governance Overview Statement	154
			Additional Compliance Information	184
			Analysis of Shareholdings	
	2-16	Commitment of critical concerns	Material Matters	96
	2-17	Collective knowledge of the highest governance body	Board Qualification and Skills	134
	2-18	Evaluation of the performance of the highest governance body	Board Annual Evaluation on Effectiveness	163
	2-19	Remuneration policies	TOR of Board Nomination and Remuneration Committee at www.uzmagroup.com	
	2-20	Process to determine remuneration		

GRI STANDARD	CODE	DISCLOSURE	LOCATION	PAGE
GRI 2: General Disclosures 2021	2-21	Annual total compensation ratio	N/A	
	2-22	Statement on sustainable development strategy	A Message from the MD/Group CEO	86
	2-23	Policy commitments	Ethical Business Practices	133
	2-24	Embedding policy commitments		
	2-25	Processes to remediate negative impacts	Whistleblowing and Grievance Mechanism	135
	2-26	Mechanisms for seeking advice and raising concerns	Whistleblowing and Grievance	135
	2-27	Compliance with laws and regulations	Regulatory Compliance	137
	2-28	Membership associations	Uzma's Active Engagement in Industry Associations and Collaborative Initiatives	95
	2-29	Approach to stakeholder engagement	Stakeholder Engagement	91
	2-30	Collective bargaining agreements	Labour Practices and Human Rights Supply Chain Management	115 101
GRI 3: Material Topics	3-1	Process to determine material topics	Material Matters	96
	3-2	List of material topics		
	3-3	Management of material topics	Management of all material topics are provided in the respective topical disclosures within this report	
GRI 201: Economic Performance 2016	201-1	Direct economic value generated and distributed	Economic Performance	100
	201-2	Financial implications and other risks and opportunities due to climate change	N/A	-
	201-3	Defined benefit plan obligations and other retirement plans	Comprehensive Employee Compensation and Benefits	127
	201-4	Financial assistance received from government		-



GRI STANDARD	CODE	DISCLOSURE	LOCATION	PAGE
GRI 202: Market Presence 2016	202-1	Ratios of standard entry level wage by gender compared to local minimum wage	N/A	-
	202-2	Proportion of senior management hired from the local community	Diversity, Equity and Inclusion	113
GRI 203: Indirect Economic Impacts 2016	203-1	Infrastructure investments and services supported	Economic Performance	100
	203-2	Significant indirect economic impacts	Engagement with Local Communities	131
GRI 204: Procurement Practices 2016	204-1	Proportion of spending on local suppliers	Supporting Local Suppliers	103
GRI 205: Anti-corruption 2016	205-1	Operations assessed for risks related to corruption	Ethical Business Practices	133
	205-2	Communication and training about anti-corruption policies and procedures		
	205-3	Confirmed incidents of corruption and actions taken		
GRI 206: Anti-competitive Behavior 2016	206-1	Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	Code of Conduct and Business Ethics	136
GRI 302: Energy 2016	302-1	Energy consumption within the organization	Energy Management	110, 138
	302-2	Energy consumption outside of the organization		
	302-3	Energy intensity		
	302-4	Reduction of energy consumption		
	302-5	Reductions in energy requirements of products and services		
GRI 303: Water and Effluents 2018	303-1	Interactions with water as a shared resource	Water and Effluent Management	111, 138
	303-2	Management of water discharge-related impacts		
	303-3	Water withdrawal		
	303-4	Water discharge		
	303-4	Water consumption		
GRI 304: Biodiversity 2016	304-1	Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	Commitment To Environmental Compliance	108
	304-2	Significant impacts of activities, products, and services on biodiversity		

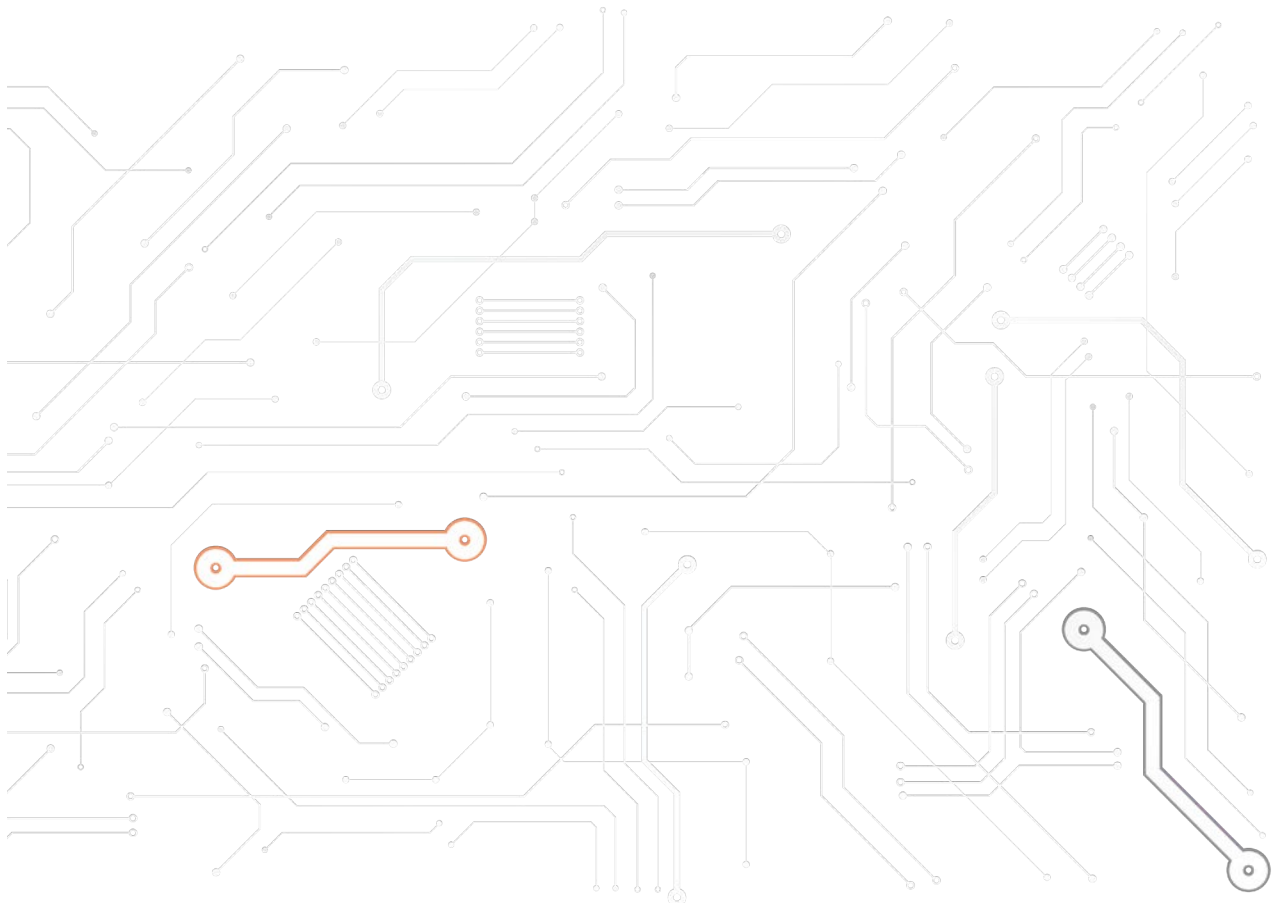
GRI STANDARD	CODE	DISCLOSURE	LOCATION	PAGE
GRI 305: Emissions 2016	305-1	Direct (Scope 1) GHG emissions	Emissions Management	109, 138
	305-2	Energy indirect (Scope 2) GHG emissions		
	305-3	Other indirect (Scope 3) GHG emissions		
	305-4	GHG emissions intensity		
	305-5	Reduction of GHG emissions		
	305-6	Emissions of ozone-depleting substances (ODS)		
	305-7	Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions		
GRI 306: Waste 2020	306-1	Waste generation and significant waste-related impacts	Waste Management	110, 138
	306-2	Management of significant waste-related impacts		
	306-3	Waste generated		
	306-4	Waste diverted from disposal		
	306-5	Waste directed to disposal		
GRI 308: Supplier Environmental Awareness 2016	308-1	New suppliers that were screened using environmental criteria	Sustainable Procurement Practices	101
	308-2	Negative environmental impacts in the supply chain and actions taken		
GRI 401: Employment 2016	401-1	New employee hires and employee turnover	Talent Attraction and Retention	129
	401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	Comprehensive Employee Compensation and Benefits	127
	401-3	Parental leave	Employee Benefits and Remuneration Data	141
GRI 402: Labor / Management Relations 2016	402-1	Minimum notice periods regarding operational changes	Labour Practices and Human Rights	115
GRI 403: Occupational Health and Safety 2018	403-1	Occupational health and safety management system	A Commitment to Employee Well-being	116
	403-2	Hazard identification, risk assessment, and incident investigations	HSE Performance Data	120, 139
	403-3	Occupational health services		
	403-4	Worker participation, consultation, and communication on occupational health and safety		
	403-5	Worker training on occupational health and safety		
	403-6	Promotion of worker health		
	403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships		
	403-8	Workers covered by an occupational health and safety management system		
	403-9	Work-related injuries		
	403-10	Work-related ill health		

GRI STANDARD	CODE	DISCLOSURE	LOCATION	PAGE
GRI 404: Training and Education 2016	404-1	Average hours of training per year per employee	Training and Development	128, 141
	404-2	Programs for upgrading employee skills and transition assistance programs		
	404-2	Percentage of employees receiving regular performance and career development reviews		
GRI 405: Diversity and Equal Opportunity 2016	405-1	Diversity of governance bodies and employees	Diversity, Equity and Inclusion	112, 139
	405-2	Ratio of basic salary and remuneration of women to men	N/A	-
GRI 406: Non-discrimination 2016	406-1	Incidents of discrimination and corrective actions taken	Labour Practices and Human Rights	115
GRI 407: Freedom of Association and Collective Bargaining 2016	407-1	Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	Labour Practices and Human Rights	115
GRI 408: Child Labor 2016	408-1	Operations and suppliers at significant risk for incidents of child labor	Labour Practices and Human Rights	115
GRI 409: Forced or Compulsory Labor 2016	409-1	Operations and suppliers at significant risk for incidents of forced or compulsory labor	Labour Practices and Human Rights	115
GRI 410: Security Practices 2016	410-1	Security personnel trained in human rights policies or procedures	Labour Practices and Human Rights	115
GRI 411: Rights of Indigenous Peoples 2016	411-1	Incidents of violations involving rights of indigenous peoples	Labour Practices and Human Rights	115
GRI 413: Local Communities 2016	413-1	Operations with local community engagement, impact assessments, and development programs	Engagement with Local Communities	131
	413-2	Operations with significant actual and potential negative impacts on local communities	Community Engagement Data	141
GRI 414: Supplier Social Assessment 2016	414-1	New suppliers that were screened using social criteria	Sustainable Procurement Practices	101
	414-2	Negative social impacts in the supply chain and actions taken		
GRI 415: Public Policy 2016	415-1	Political contributions	Robust Anti-Corruption and Corruption Stance	135
GRI 418: Customer Privacy 2016	418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	Data Privacy and Cybersecurity	137

FTSE4GOOD DISCLOSURE INDEX

PILLAR	CODE	LOCATION	DISCLOSURE	PAGE
Environmental	EBD	Biodiversity	Commitment To Environmental Compliance	108
	ECC	Climate Change	Adopting a Responsible Approach to Climate Change	107
			Commitment to Environmental Compliance	108
			Energy Consumption Data	110,138
	EPR	Pollution & Resources	Waste Management	110
	ESC	Supply Chain (Environment)	Sustainable Procurement Practices Vendor Performance Assessment and Audits	101 136
	EWT	Water Security	Water Consumption Performance Data	111, 138
Social	SCR	Customer Responsibility	N/A	-
	SHS	Health & Safety	A Commitment to Employee Well-being	116
			HSE Performance Data	139
	SHR	Human Rights & Community	Labour Practices and Human Rights	115
			Talent Retention and Development	129
			Engagement with Local Communities	131
			Ethical Business Practices	133
			Community Engagement Performance Data	131, 142
	SLS	Labour Standards	Labour Practices and Human Rights	115
			Talent Attraction and Retention	129
			Ethical Business Practices	133
			Diversity, Equity and Inclusion	112
			Hiring and Attrition	140
			Training and Development	128, 141
			Employee Compensation and Benefits	127, 141
	SSC	Supply Chain (Social)	Labour Practices and Human Rights	115
			Talent Attraction and Retention	129
			Supply Chain Management	101
			Embedding Sustainability into Risk Management Practices	90
			Supply Chain Management Performance Data	138

PILLAR	CODE	LOCATION	DISCLOSURE	PAGE
Governance	GAC	Anti-Corruption	Ethical Business Practices	133
			Anti-Corruption Performance	135, 142
	GCG	Corporate Governance	Sustainability Governance	89
			Corporate Governance Overview Statement	154
	GRM	Risk Management	Embedding Sustainability into Risk Management Practices	90
			Regulatory Compliance	137
			Statement on Risk Management & Internal Control	168
	GTX	Tax Transparency	N/A	-

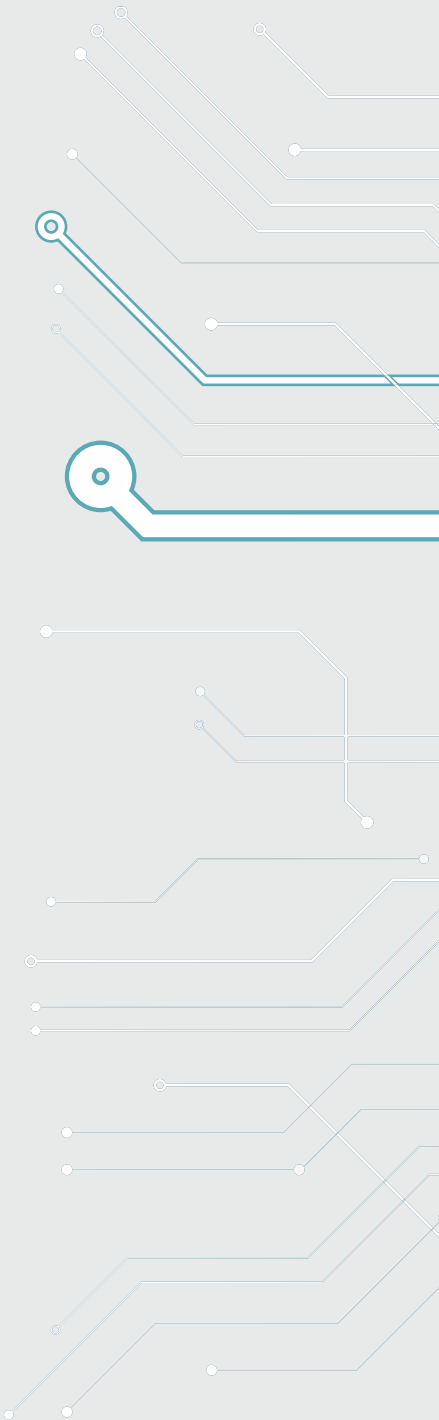


SECTION

05

CORPORATE
GOVERNANCE

5.1	Corporate Governance Overview Statement	154
5.2	Statement on Risk Management and Internal Control	168
5.3	Audit Committee Report	174
5.4	Nomination and Remuneration Committee Report	180
5.5	Additional Compliance Information	184





CORPORATE GOVERNANCE OVERVIEW STATEMENT

The Board of Directors ("Board") of Uzma Berhad ("Uzma" or "the Company") trusts that good corporate governance is the cornerstone to build a sustainable and resilient organisation which safeguards the shareholders' investment while enhancing shareholders value as well as the interest of other stakeholders.



This Corporate Governance Overview Statement ("Statement") of Uzma and its subsidiaries (collectively referred to as "Uzma Group" or "the Group") seeks to provide an insight to the Corporate Governance practices ("Practices") of the Group under the stewardship of the Board as outlined by the Malaysian Code on Corporate Governance 2021 ("MCCG" or "the Code") during the financial year ended 30 June 2024 ("FY2024" or "Financial Year").

The Company's corporate governance structure has been developed and modelled around the principles and recommendations of best practices prescribed in the Code with reference to the three (3) key principles as set out in the MCCG :-

Principle A: Board Leadership and Effectiveness

Principle B: Effective Audit and Risk Management

Principle C: Integrity in Corporate Reporting and Meaningful Relationship with Stakeholder

This Corporate Governance Overview Statement is prepared in compliance with Paragraph 15.25(2) of the Main Market Listing Requirements ("MMLR") of Bursa Malaysia Securities Berhad ("Bursa Securities") and supported with the Corporate Governance Report ("CG Report") which provides the detailed application of the MCCG practices during the year under review. The CG Report is made available on the Company's website (www.uzmagroup.com) and through an announcement on the website of Bursa Securities.

In line with the requirements of the MCCG and MMLR, the Group has provided clear and forthcoming explanations for departures from the Practices in the CG Report. With regards to departure in Practices, the Board has provided disclosures on the alternative measures in place which will achieve comparable outcomes of those intended outcomes of the MCCG. The explanations on the departures, supplemented with disclosure on the alternative practices are contained in the CG Report.



PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS

BOARD RESPONSIBILITIES

The Group acknowledges the pivotal role played by the Board in steering the directions and operations of the Company. The Board is responsible to the Company's shareholders for the long-term success of the Group and its overall strategic direction in determining all major policies, reviewing the system of internal control, ensuring that effective strategies and management are in place. The Board sets the business direction and oversees the conduct of the Group based on the periodic performance of the Group as reported by the Management in the quarterly financial results and has full access to all operational information together with the explanation as provided by the Management.

The Board allocates sufficient time and effort to carry out their responsibilities. It is also the Board's policy for the directors to notify the Chairman of the Board before accepting any new directorships notwithstanding that the MMLR allows a director to sit on the Board of up to five (5) listed issuers. During FY2024, none of the Directors on the Board holds more than five (5) directorships in other listed issuers on Bursa Securities.

The Board is mindful of the importance of the establishment of clear roles and responsibilities in discharging its fiduciary duties and leadership functions. The practices applied and exercised by the Board are set out below: -

i. Clear Roles and Responsibilities

The Board has adopted a Board Charter ("Charter") which sets out, among others, the roles and responsibilities of the Chairman, the Managing Director/Group Chief Executive Officer ("MD/GCEO"), the Board, individual directors, Independent Directors, each Board Committees, and the Management. The Charter further sets out the processes and procedures for convening of board meetings and guidelines for its directors on disclosure of interest. Similarly included in the Charter is the Code of Conduct and Ethics of the Board which provides guidance for directors regarding the ethical and behavioural considerations and/or actions as they address their duties and obligations during their appointment.

The Charter is reviewed periodically and updated in accordance with the needs of the Company to ensure its effectiveness and consistency with the Board's strategic intent as well as the relevant standards of corporate governance.

The Charter and the Code of Conduct and Ethics are available at the Company's website at www.uzmagroup.com.

ii. Corporate Liability

In compliance with the amendment of Section 17A of the Malaysian Anti-Corruption Commission Act 2009 and guided by the Ministerial Guidelines and Paragraph 15.29 of the MMLR of Bursa Securities in relation to anti-bribery, the Board has taken proactive measures to ensure adequate procedure are in place which are in line with the Guidelines issued by the Prime Minister's Department.

The Anti-Bribery Policy and Whistleblowing Policy ("ABC Policies") seek to establish and adopt the highest standards of personal and professional integrity in executing its business activities within the organisation and external to the organisation. Uzma Group is committed to ethical business practices and good corporate governance. Thus, the ABC Policies set out the Group's expectations for internal and external parties are working with, for and on behalf of the Group in upholding the Group's commitment and stance against bribery. The ABC Policies are available for viewing at Uzma's corporate website at www.uzmagroup.com.

iii. Separation of Position of the Chairman and Managing Director/Group Chief Executive Officer ("MD/GCEO")

The Board acknowledges the importance of establishing an effective Board composition to ensure a strong and open working relationship between the directors.

Therefore, to ensure balance of power and authority in the Board, there is a clear demarcation of duties and responsibilities between the Chairman and the MD/GCEO to ensure organisational check and balance for better governance. The roles of Chairman and MD/GCEO are held separately by Datuk Abdullah Bin Karim and Dato' Kamarul Redzuan Bin Muhamed, respectively, as both roles serve different expectations and audience.

The Chairman is responsible for ensuring the Board's effectiveness and provides leadership at the Board level, chairing the meetings of the Company and the Board, represents the Board to the members and together with the Board, reviews and approves the strategic objectives and policies of the Group.

Whilst MD/GCEO is responsible to manage the Company's business as well as responsible to the Board for implementing operational and corporate decisions.





iv. Company Secretary

The Board is supported by two (2) suitably qualified and competent Company Secretaries under Section 235(2) of the Companies Act 2016 ("Act"). The Companies Secretaries are member of the Malaysian Institute of Chartered Secretaries and Administrators and Company Secretary's License by Companies Commission of Malaysia.

The Company Secretaries play an advisory role, particularly on the corporate administrative and governance matters to ensure the Company is in compliance with its Constitution, the Board Charter and the Company's policies and procedures, and the relevant regulatory requirements, guidelines, and legislations.

The Company Secretaries attend all the Board and Board Committee meetings and are responsible for ensuring the meeting procedures are in place including disseminating complete and accurate meeting materials in a timely manner to allow the Board members to have sufficient time to review the relevant documents prior to meetings. The Company Secretaries also facilitate the communication of key decisions and policies between the Board, Board Committees and Management.

All Board members have unrestricted access to the advice and services of the Company Secretaries.

The Company Secretaries or their representatives, attend and ensure that all Board and Board Committee meetings are properly convened. The decision made and/or resolutions passed thereof are recorded in the minutes of meetings and are kept at the registered office of the Company together with its statutory registers.

Other roles of the Company Secretaries include coordinating with the Management on the preparation of the Board papers and ensuring the Board procedures and applicable rules are observed. The Company Secretaries are further responsible in maintaining the records of the Board as well as disseminating relevant information in a timely manner to ensure the Board are up to date with the evolving regulatory requirements.

The Company Secretaries constantly keep themselves abreast of the evolving regulatory changes and developments in corporate governance through continuous training.

v. Board Meetings

The Board meets at least once in every quarter with additional meetings convened, as and when necessary. The meeting agenda, relevant reports and Board papers are furnished to the directors and Board Committee members within a reasonable timeframe prior to the meetings to allow the directors to have sufficient time to read them for effective discussion and decision making at the meetings. Where applicable, the senior management officers are invited to attend these meetings to explain and clarify matters being tabled. Matters requiring the Board's decision during the intervals between the Board meetings are circulated and approved through the written circular resolutions.

The Board has a formal schedule of reserved matters at the Board Meetings which includes the corporate plans, annual budgets, the Group's performance review, major investments and financial decisions, changes to the Management and control structure within the Group such as key policies and procedures, and delegated authority limits. The Board has scheduled meeting dates in advance to facilitate the directors in planning their meeting schedules for the year. Additional meetings are convened, where necessary, to deal with urgent and important matters that require the attention of the Board.

The Board is supplied with information in a timely manner and appropriate quality to enable them to discharge their duties with regards to the issues to be discussed. The Company Secretaries organize and attend all Board Meetings to ensure proper records of the proceedings.

The minutes of meetings of the Board and Board Committees are circulated to the Board and Board Committee Members for review and comments within a reasonable timeframe prior to the Chairman's confirmation at the next Board and Board Committee meetings respectively.

Seven (7) Board of Directors' meetings were held during the financial year under review. The details of the directors' attendance are set out as follows: -

Directors	Attendance in FY2024							Total	Percentage (%)
	23 Aug 2023	25 Sep 2023	22 Nov 2023	19 Feb 2024	24 May 2024	12 Jun 2024	24 Jun 2024		
Datuk Abdullah Bin Karim (Independent Non-Executive Chairman)	✓	✓	✓	✓	✓	✓	✓	7/7	100
Dato' Kamarul Redzuan Bin Muhamed (Managing Director/Group Chief Executive Officer)	✓	✓	✓	✓	✓	✓	✓	7/7	100
Dato' Che Nazahatussamudin Bin Che Haron (Executive Director)	✓	✓	✓	✓	✓	✓	✓	7/7	100
Datuk Seri Dr. Zurainah Binti Musa (Independent Non-Executive Director)	✓	✓	✗	✓	✓	✓	✓	6/7	85.71
Encik Ikhlas Bin Abdul Rahman (Independent Non-Executive Director)	✓	✓	✓	✓	✓	✓	✗	6/7	85.71
Y.M. Tengku Ezuan Ismara Bin Tengku Nun Ahmad (Independent Non-Executive Director)	✓	✓	✓	✓	✓	✓	✓	7/7	100
Datuk Farisha Binti Pawan Teh (Independent Non-Executive Director)	✓	✓	✓	✓	✓	✓	✓	7/7	100
Encik Mazli Zakuan Bin Mohd Noor (Independent Non-Executive Director)	✗	✓	✓	✓	✓	✓	✓	6/7	85.71
Encik Yahya Bin Razali* (Independent Non-Executive Director)	✓	✗	✓	-	-	-	-	2/3	66.67
Dato' Nasri Bin Nasrun** (Non-Independent Non-Executive Director)	-	-	-	-	✓	✓	✓	3/3	100
Datin Rozita Binti Mat Shah @ Hassan*** (Executive Director)	-	-	-	-	-	✓	✓	2/2	100

Notes:

(*) Encik Yahya Bin Razali retired on 30 November 2023

(**) Dato' Nasri Bin Nasrun was appointed to the Board on 20 February 2024

(***) Datin Rozita Binti Mat Shah @ Hassan was appointed to the Board on 1 June 2024

The Board is satisfied with the level of time commitment given by the directors towards fulfilling their roles and responsibilities, which is evidenced by the satisfactory attendance record of the directors at Board meetings.

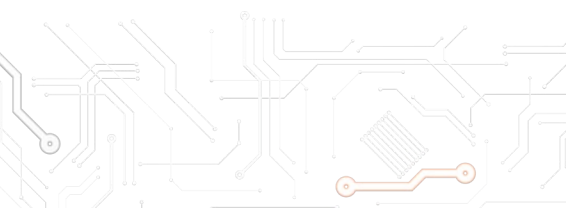


vi. Continuous Training and Development

In discharging its duties and responsibilities, the directors recognize the importance and value of attending programmes, seminars, and forums to keep themselves abreast with the current developments of the industry, as well as the new statutory and regulatory requirements.

The details of the trainings attended by the directors during the year under review are set out as follows: -

Names of Directors	Training Programmes
Datuk Abdullah Bin Karim (Independent Non-Executive Chairman)	<ol style="list-style-type: none"> 1. ICDM: Mandatory Accreditation Programme Part II, Leading for Impact (LIP) 2. Informa Markets: Oil & Gas Asia, 19th Asian Oil, Gas and Petrochemical Engineering Exhibition 3. Cybersecurity Awareness Training 4. Petronas: Offshore Technology Conference ("OTC") Asia 2024
Dato' Kamarul Redzuan Bin Muhamed (Managing Director/ Group Chief Executive Officer)	<ol style="list-style-type: none"> 1. The Energy Transition Conference 2023 – Transforming brown assets into green assets: A new opportunity for investors 2. The Malaysian Space Industry: Space Industry Workshop 3. Roundtable Discussion KPT-Industries-Universities Eastern Region 4. Scotland Space Go-Global Innovation Conference & Workshop 5. Symposium Kongres Ekonomi Bumiputera 2024 (KEB 2024)
Datin Rozita Binti Mat Shah @ Hassan (Executive Director)	<ol style="list-style-type: none"> 1. Uzma Legal: Anti-Corruption and Anti-Bribery Obligation (Section 17A of the MACC Act)
Dato' Che Nazahatuhisamudin Bin Che Haron (Executive Director)	<ol style="list-style-type: none"> 1. Webinar Series : Directors Behaviour and Boardroom Dynamics 2. ICDM: Mandatory Accreditation Programme Part II, Leading for Impact (LIP)
Datuk Seri Dr. Zurainah Binti Musa (Independent Non-Executive Director)	<ol style="list-style-type: none"> 1. International Conference on Advancing the Right and Empowerment of Women 2023 (Azerbaijan) by The Non-Aligned Movement (NAM) - Invited Guest Speaker 2. 31st Annual Meeting of The Asia Pacific Parliamentary Forum (Philippines) 3. 147th Inter-Parliamentary Union (IPU) Assembly and related meetings (Angola) 4. 30th Annual Meeting of The Asia Pacific Parliamentary Forum (Thailand) October 2023 5. HRDC: National Human Capital Conference & Exhibition
Encik Ikhlas Bin Abdul Rahman (Independent Non-Executive Director)	<ol style="list-style-type: none"> 1. ICDM: Accreditation Programme Part II, Leading for Impact (LIP)
Y.M. Tengku Ezuan Ismara Bin Tengku Nun Ahmad (Independent Non-Executive Director)	<ol style="list-style-type: none"> 1. ICDM: Accreditation Programme Part II, Leading for Impact (LIP)
Datuk Farisha Binti Pawan Teh (Independent Non-Executive Director)	<ol style="list-style-type: none"> 1. ICDM: Accreditation Programme Part II, Leading for Impact (LIP)
Encik Mazli Zakuan Bin Mohd Noor (Independent Non-Executive Director)	<ol style="list-style-type: none"> 1. ICDM: Board Sustainability Committee Dialogue & Networking: The ABC Soup of ESG and You (Boards) 2. ICDM: NRC's Role in Championing a Future-Focused Talent Agenda 3. Climate Governance Malaysia - COP28 Debrief 4. ICDM: Corporate Innovation through Venture Building: A Capital Efficient & Risk Mitigated Approach



Names of Directors**Training Programmes**

Dato' Nasri Bin Nasrun
(Non-Independent Non-Executive Director)

1. ICDM: Mandatory Accreditation Programme Part I

Uzma Group Legal division and Company Secretaries keep the Directors informed on the relevant external training programmes. The Company Secretaries also circulated the relevant guidelines on the statutory and regulatory requirements from time to time for the Board's reference and briefed the Board on these updates at the Board meetings.

In addition, the External Auditors play its role in briefing the Board on the latest changes to the Malaysian Financial Reporting Standards ("MFRS") that affects the Group's financial statements during FY2024, where applicable.

vii. Access to Information and Advice

The Board has unrestricted access to timely and accurate information in their furtherance of their duties.

The directors are given access to any information within the Company and have full access to the advice and services of the Company Secretaries and are free to seek independent professional advice at the Company's expense, if necessary, to ensure the effective functioning of the Board in discharging its various duties.

If external advice is necessary, the Director who intends to seek such consultation or advice shall notify the Management of such request. Upon obtaining the Board Chairman's approval, the Directors shall acquire the independent professional advice. All advice and opinions from the advisors shall be reported to the Board.

viii. Board Committees

To assist in the discharge of its duties and responsibilities, the Board has established the following Board Committees to perform certain functions and to provide recommendations and advice: -

- Audit Committee ("AC");
- Nomination and Remuneration Committee ("NRC");
- Sustainability and Risk Management Committee ("SRMC"); and
- Employees' Share Scheme Committee ("ESSC")

The Board Committees are entrusted with specific responsibilities to oversee the Group's affairs with the authority to act on behalf of the Board and operate within their respective written Terms of Reference that have been approved by the Board.

The chairman of the respective Board Committees reports to the Board on key matters deliberated at the Board Committees' meetings and makes the necessary recommendations to the Board. The ultimate responsibility for decision making lies with the Board. In line with the Malaysian Code on Corporate Governance, during the financial year under review, the Board Chairman relinquished his role as a member of the NRC. Currently, the Board Chairman does not sit in any of the Board Committees.

An overview of the functions, responsibilities and meeting attendance of each committee are as follows: -

Audit Committee	Meeting (s) Attended	Responsibilities
Y.M. Tengku Ezuan Ismara Bin Tengku Nun Ahmad (Chairman)	5/5	<ul style="list-style-type: none"> • Assists the Board in fulfilling the statutory and fiduciary responsibilities in monitoring the Group's management of its financial risk processes, accounting, and financial reporting practices, ensures the efficacy of the Group's system of internal control and maintains the oversight for both internal and external audit functions; and • Reviews any related party transactions and conflict of interest situations that may arise within the Company and the Group.
Encik Ikhlas Bin Abdul Rahman (Member)	5/5	
Encik Mazli Zakuan Bin Mohd Noor (Member)	4/5	
Dato' Nasri Bin Nasrun (Member) (Appointed on 20 February 2024)	1/1	

Nomination and Remuneration Committee	Meeting (s) Attended	Responsibilities
Datuk Seri Dr. Zurainah Binti Musa (Chairperson)	4/4	<ul style="list-style-type: none"> Reviews annually on the required mix of skills and experiences on core competencies, as well as character, experience, integrity, competency, and time commitment of the directors; Recommends new suitable candidates for directorships proposed by the MD/GCEO and, within the bounds of practicability, by any other senior executive(s) or any director(s) or shareholder(s); and utilize the independent services to identify qualified candidates;
Y.M. Tengku Ezuan Ismara Bin Tengku Nun Ahmad (Member)	4/4	<ul style="list-style-type: none"> Assists the Board in its annual assessment of the effectiveness of the Board as a whole and the Board Committees; Develops, maintains and reviews the criteria to be used in the recruitment process and annual assessment of directors. The nomination and election process as well as the criteria used in the selection process and the assessment undertaken in respect of its Board, committees and individual Director should be disclosed in the Annual Report;
Datuk Farisha Binti Pawan Teh (Member) (Appointed on 1 October 2023)	3/3	<ul style="list-style-type: none"> Assesses the training needs of each director, reviews the fulfilment of such training and to disclose details in the Annual Report as appropriate; Assesses annually the independence of the independent directors and their tenure of service; Recommends to the Board for continuation (or not) in service of executive director(s) and directors who are due for retirement by rotation; Considers and recommends the Independent directors beyond nine (9) years for continuation in office, having due regard to their performance and ability to continue to contribute to the Board;
Datuk Abdullah Bin Karim (Member) (Resigned on 1 October 2023)	1/1	<ul style="list-style-type: none"> Reviews on an annual basis the remuneration packages of the executive directors, non-executive directors and senior management having a salary of RM30,000.00 per month and above, and recommends to the Board for approval; and Reviews and recommends to the Board and thereafter the shareholders at the Annual General Meeting, the fees of the directors and any benefits payable to the directors.

Sustainability and Risk Management Committee	Meeting (s) Attended	Responsibilities
Encik Ikhlas Bin Abdul Rahman (Chairman)	N/A*	<p>a) Risk Management:</p> <ul style="list-style-type: none"> Ensures adequacy and effectiveness of Uzma's Risk Management Framework and ongoing activities, including reports on key strategic, business, and ESG risks. Maintains the Enterprise Risk Management Risk Register to ensure effective monitoring and management of identified risks. Conducts risk assessments on business proposals and new initiatives, including: <ul style="list-style-type: none"> Merger & acquisition, divestment, and joint-venture proposals Financial-related decisions (e.g. financing) Commercial transactions with material complexity and exposure Country-related decisions (e.g. entry or exit management) Key capital projects New business ventures or special projects Determines the risk tolerance level of Uzma Group. <p>b) Governance and Sustainability:</p> <ul style="list-style-type: none"> Determines Uzma's sustainability strategy and governance structure in alignment with the company's business strategy. Through the Group Sustainability Steering Committee, assess the adequacy of the Sustainability Framework and oversee sustainable development responsibilities, including: <ul style="list-style-type: none"> i) Environmental Management ii) Climate change management, particularly greenhouse gas (GHG) emissions from all businesses and operations iii) Labour and human rights management, including safeguarding workforce wellbeing iv) Occupational Health & Safety v) Diversity, Equity, and Inclusion (DEI) vi) Welfare and socio-economic advancement of wider communities vii) Circularity, including efficient utilisation of resources viii) Long-term sustainability of business operations from the above perspectives
Datuk Farisha Binti Pawan Teh (Member)		
Encik Mazli Zakuan Bin Mohd Noor (Member)		

* The Committee was established on 1 December 2023. During the financial year under review, no meeting was held.

Employees' Share Scheme Committee #	Meeting (s) Attended	Responsibilities
Datuk Seri Dr. Zurainah Binti Musa (Chairperson)	1/1	<ul style="list-style-type: none"> To act as administer in the ESS in accordance with the By-Laws, with powers and duties conferred by the Board.
Y.M. Tengku Ezuan Ismara Bin Tengku Nun Ahmad (Member)	1/1	
Datuk Farisha Binti Pawan Teh (Member)	1/1	
Dato' Kamarul Redzuan Bin Muhamed (Member)	1/1	

The Committee was established on 19 February 2024.

Board Balance and Composition

As at the date of this Statement, the Board currently has a balanced composition of ten (10) directors consisting of three (3) Executive Directors, one (1) Non-Independent Non-Executive Director ("NINED") and six (6) Independent Non-Executive Directors ("INEDs"). The INEDs represent 60.0% of the Board's composition, in line with Paragraph 15.02 of MMLR of Bursa Securities which requires at least two (2) directors or one-third of the Board, whichever is higher, to be independent. The composition of INEDs is also in line with the recommendations under Practice 5.2 of the Code of having at least half of the Board comprising independent directors.

The Chairman of the Board is an Independent Non-Executive Director who carries out a leadership role in the conduct of the Board and its relations with the members and stakeholders. The presence of the Independent Directors safeguards the interest of the stakeholders in ensuring the highest standard of conduct and integrity are maintained to ensure that any decision of the Board is deliberated in full and objectively with regards to the long-term interest of all stakeholders. A brief profile of each Director can be found in this Annual Report.

The Board is satisfied that the present size and composition of the Board is appropriate for the complexity and scale of operations of the Group. The Board believes that a diverse Board that leverages on differences in the skills, knowledge, experience, and views of Directors will ensure effective stewardship and will steer the Company to retain its competitive advantage. As presently constituted, the Board is well balanced and has the stability, continuity, and commitment, as well as capacity to discharge its responsibilities effectively.

The INEDs play a strong and vital role in entrenching good governance practices in the affairs of the Group by providing independent views, advice, and judgement in consideration of the interests of members at large in order to effectively check and balance the Board's decision-making process. The INEDs of the Company had devoted sufficient time and attention to the Group's affairs.

During the year under review, the Board welcomed the appointment of Dato' Nasri Bin Nasrun and Datin Rozita Binti Mat Shah @ Hassan who were appointed on 20 February 2024 and 1 June 2024 respectively. In accordance with the Company's Constitution, all directors who were appointed by the Board are subject to re-election by the shareholders at the next Annual General Meeting ("AGM") after their appointment. As such, the said Directors will be subject to re-election at the forthcoming Seventeenth (17th) AGM of the Company.

During the year under review, Encik Yahya Bin Razali retired as a Director of the Company during the AGM held on 30 November 2023, after attaining 9 years in office.

At least one-third of the Directors are required to retire by rotation annually and be subject to re-election at each AGM. All Directors shall retire from office at least once every three (3) years but shall be eligible for re-election. At this forthcoming 17th AGM, Tengku Ezuan Ismara Bin Tengku Nun Ahmad, Datuk Farisha Binti Pawan Teh, and Encik Mazli Zakuan Bin Mohd Noor shall retire from office and be eligible for re-election, pursuant to the Constitution of the Company.

The practices applied by the Board with regards to its composition are set out below: -

i) Tenure of the Independent Directors

The Code provides that the tenure of an independent director should not exceed a cumulative term of nine (9) years. Upon completion of nine (9) years, an independent director may continue to serve on the Board subject to the re-designation of the independent director as a non-independent director. The Board must justify and seek the shareholders' approval in the event it retains as an independent director, a person who has served in that capacity for more than nine (9) years.

The Board believes that the continued contribution of the Independent Directors will provide stability and benefits to the Board and the Company as a whole, especially their invaluable knowledge of the group and its operations gained through the years. The calibre, qualifications, experiences, and personal qualities, particularly in the director's integrity and objectivity in discharging their responsibilities in the best interest of the Company determines the ability of a Director to serve effectively as an Independent Director.

i) Tenure of the Independent Directors (contd)

The Board embraces the practice of retaining an independent director beyond nine (9) years and provides the justification for doing so and seek the shareholders' approval annually in that respect. If the Board continues to retain the independent directors after in office for more than nine (9) years, in addition to providing justification as explained above, the Board will seek the shareholders' approval through a two-tier voting process, unless the said independent director wishes to be re-designated as non-independent non-executive director.

The NRC has reviewed and recommended to the Board for Datuk Seri Dr. Zurainah Binti Musa, who has served the Company since her appointment on 13 May 2015, and will complete her 9th year of tenure on 13 May 2024, to continue to serve as Independent Director of the Company, subject to annual shareholders' approval to be obtained through a two-tier voting process as stipulated in the MCCC.

During the financial year under review, the Board via the NRC assessed the independence of its INEDs. Based on the outcome of the assessment, the INEDs were found to have independence mindset of which they will continue to be independent and able to provide objective judgement during the Board's deliberations and decision-making.

ii) Policy on Tenure of the Independent Directors

As the Company is not classified as a "Large Company", the Board does not have a policy which limits the tenure of the INEDs to nine (9) years without further extension. At present, the Board will ensure compliance with the MMLR, which limits the tenure of the INEDs to not more than a cumulative period of twelve (12) years.

iii) Appointment of the Directors

The Board does not adhere to a fixed set of criteria for assessing and selecting director candidates. However, in line with the Fit and Proper Policy, considerations include the candidate's skills, qualifications, knowledge, experience, competence, integrity, and expertise that would add value to the Board. An understanding of the business environment and a willingness to commit adequate time and effort to fulfil the Board's duties and responsibilities are also crucial factors.

The NRC is responsible to recommend an identify candidate(s) to the Board if there is any vacancy arising from resignation, retirement, or any other reasons, or if there is a need to appoint additional director(s) with the required skills or profession based on the recommendation from the Board to close the competency gap in the Board as identified by the NRC. The potential candidate(s) may be proposed by the existing director(s), senior management staff, members, or third-party referrals and/or independent sources.

Upon receiving the proposal, the NRC is responsible to conduct an assessment and evaluation of the proposed candidates based on their skills, knowledge, character, integrity, expertise and experience, competency, commitment (including time), and where appropriate, the independence of the proposed candidate(s) for the appointment of the independent directors. The NRC may, at its discretion, conduct legal and other background searches on the proposed candidates, as well as formal or informal interview.

Upon completion of the assessment and evaluation of the proposed candidates, the NRC would make its recommendation to the Board. Then, the Board would evaluate and decide on the appointment of the proposed candidates based on the recommendation by the NRC.

iv) Gender Diversity

The Board acknowledges the recommendation of the Code on gender diversity and has established a gender diversity policy to ensure women's participation on the Board. With the appointment of Datin Rozita Binti Mat Shah @ Hassan as Director with effect from 1 June 2024, the Company now has three (3) female Directors, representing 30% of the Board, thus meeting the 30% requirement for women directors.

The Board recognizes and embraces the benefits of having gender diversity in the boardroom as a mix-gendered board would offer different viewpoints, ideas, and market insights. This would enable better problem solving to gain competitive advantage in serving an increasingly diverse customer base than the boardroom that is dominated by one gender.

The Board will focus its efforts to establish a diverse Board with a variety of skills, experiences, ages, cultural backgrounds, and genders.

v) Board Annual Evaluation on Effectiveness

During the financial year under review, the Board, through the NRC, had carried out the annual assessment conducted internally. The Board Effectiveness Evaluation exercise was facilitated by the Company Secretaries, which aims to review the effectiveness of the Board as a whole, Board Committees, as well as the contribution of each individual director and the assessment on the independence of the independent directors. Annually, the NRC also assisted the Board to review the character's experience, integrity, competency, and time commitment of the MD/GCEO and the Group Chief Financial Officer of the Company.

Based on the results of the annual assessment, the Board was satisfied with the current composition of the Board and its committees, in respect of their balanced mix of skills, experience and expertise, as well as the individual directors' personal attributes and contributions to the Board. The results of the annual assessment have been documented. Some of the key findings as well as recommended areas for improvement arising from the annual assessment was tabled to the NRC and subsequently highlighted to the Board for notation.

The directors who are subject to re-election and/or re-appointment at the forthcoming AGM shall be assessed by the NRC before recommending to the Board on the re-election and/or re-appointment to be tabled for the shareholders' approval. An appropriate assessment and recommendation by the NRC would be based on the annual assessment conducted.

vi) Directors' Fit and Proper Policy

In compliance with Paragraph 15.01A of the MMLR of Bursa Securities, the Board has on 30 June 2022, adopted the new Directors' Fit and Proper Policy for the appointment and re-election of directors.

The objective of the Directors' Fit and Proper Policy is to guide the NRC and the Board on their review and assessment of the potential candidates for appointment as directors as well as directors who are seeking for re-election at the AGM of the Company. The Policy also aims to ensure that Directors possess the necessary character, integrity, relevant range of skills, knowledge, experience, competence and time commitment to carry out their roles and responsibilities effectively.

The Directors' Fit and Proper Policy is published on the Company's website at www.uzmagroup.com.

Remuneration

The Board, through the NRC, had established a Directors' Remuneration Policy and Procedure to assist the Group in attracting, retaining, and motivating its Directors and Senior Management to run the Group successfully.

The NRC is responsible for reviewing, considering, and recommending to the Board, the remuneration packages of the Directors and key senior management, drawing from professional advice, internally or externally, as, and when necessary.

During FY2024, the NRC had reviewed the remuneration of the Executive Directors, which reflects the level of risks and responsibilities, the individual's Key Performance Indicators ("KPIs") on the job, and the performance of the Company and considered their remuneration packages are well within the comparable companies in a similar industry. The NRC had also reviewed the fees for the Non-Executive Directors, which reflects the experience and level of responsibilities undertaken by the individuals concerned. The interested directors are abstained from participating in the decisions regarding their own individual remuneration during the NRC's deliberations and recommendations.

The level and structure of Group's remuneration policy are aligned with the business strategy and long-term objectives of the Group. This is appropriate as to attract, retain and motivate the Directors to provide good stewardship and motivate the key management personnel to successfully manage the Group. The Board is of the view that the current remuneration level is sufficient to attract, retain and motivate the qualified Directors to serve on the Board.

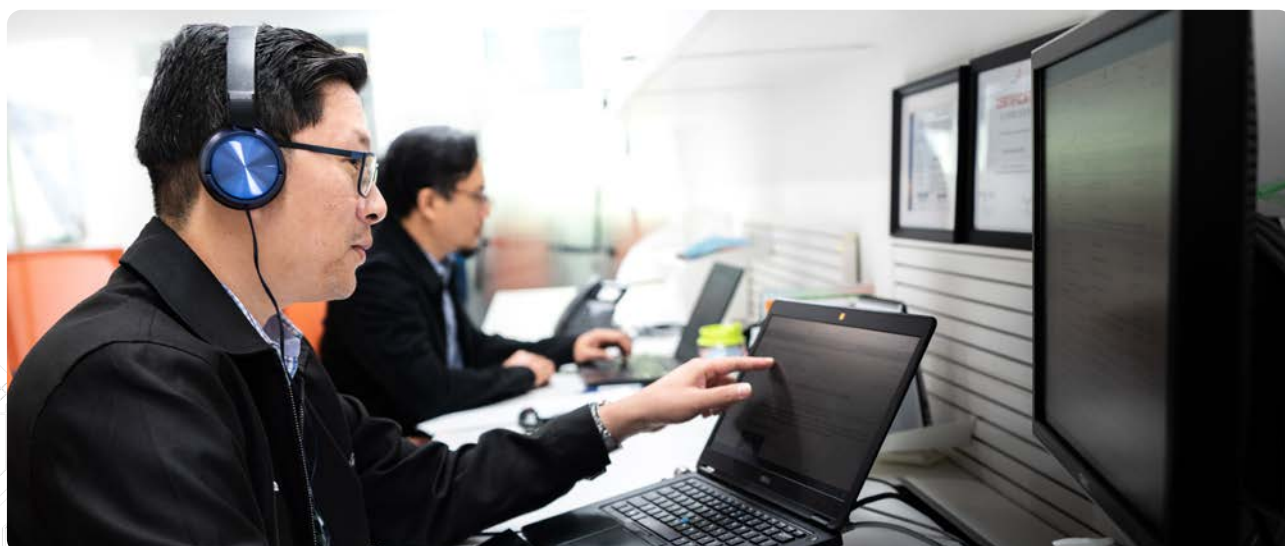
As the Company is not classified as a "Large Company", there is no full disclosure of the top five (5) key senior management's remuneration on a named basis. In addition, the Board is of the view that the disclosure thereof would not be in the best interest of the Group, due to the intense competition, scarcity for talents in the industry and the need to balance confidentiality and commercial sensitivities associated with remuneration matters.

As an alternative to the recommended practices of the Code and MCCG, the Board has adopted to disclose the remuneration of the five (5) key senior management on a group basis for FY2024 which amounted to RM2,371,000.

With the best interest of the Group in mind and taking into consideration the intense competition, scarcity for talents, sensitivity, privacy, security, and the issue of staff pinching, the Board has opted not to disclose on a named basis, the remuneration of the key senior management.

Further to the above, as the Company is not classified as a "Large Company", the Company is of the view that the non-disclosure will not be prejudicial to the shareholders' interest. As an alternative to the recommended practice, the Board discloses the key senior management's remuneration on an aggregate basis for the year under review.

The remuneration of the key senior management on an aggregate basis and the remuneration of the Board of Directors can be found in the CG Report, which is uploaded together with this Annual Report, on the Group's website (www.uzmagroup.com) and Bursa Securities' website.



PRINCIPLE B: EFFECTIVE AUDIT AND RISK MANAGEMENT

AUDIT COMMITTEE

The role of the AC is to support the Board in overseeing the financial reporting processes and audit function, provide assistance to the Board relating to the corporate accounting and practices for the Group, review the financial reports and the internal control of the Company. The AC comprises three (3) INEDs and one (1) NINED. The chairman of the AC is not the chairman of the Board, hence ensuring that the impairment of objectivity of the Board's review on the findings and recommendations from AC remain intact.

The Terms of Reference of the AC set out its rights, duties, responsibilities, and criteria on the composition of the AC, which is available at the Company's website at www.uzmagroup.com.

The Board, through the AC, maintains a transparent and professional relationship with the Internal and External Auditors. The AC has been explicitly accorded the authority to communicate directly with both the Internal and External Auditors.

In terms of continuous development, the AC continues to attend professional development programme to keep themselves abreast with the relevant developments in accounting and auditing standards, practices, and rules.

The Board, with the recommendations of the AC, will ensure that all quarterly announcements and the annual audited financial statements present a balanced and fair view of the Group's financial position and prospects.

During the financial year under review, the AC assesses the performance of the External Auditors, including their independence, and recommends to the Board for the re-appointment of the External Auditors, guided by the factors as prescribed under Paragraph 15.21 of the MMLR of Bursa Securities. The External Auditors have confirmed their independence throughout the conduct of the audit engagement in accordance with the independence criteria as set out by the Malaysian Institute of Accountants. The audit partner in-charge of a public listed company will be rotated every five (5) years to ensure the independence of audit is intact.

The detailed roles, functions, responsibilities, and summary of work done by the AC during the financial year ended 30 June 2024 are as set out in the AC Report of this Annual Report.

RISK MANAGEMENT AND INTERNAL CONTROL FRAMEWORK

The Board is responsible for the overall risk management in the Group to maintain a sound system of internal control, while the Executive Directors, together with the OC, are primarily responsible for managing the risks in the Group. On 1 December 2023, the Board established the Sustainability and Risk Management Committee (SRMC) to further strengthen the risk management processes. FY2024 year-end risk register was reviewed by OC in June 2024 and assessed by SRMC in August, effectively adding another layer of oversight.

The features of the Group's risk management and internal control covering the risk policy, risk assessment and the review process by the Board, AC and SRMC as well as the key internal controls are presented in the Statement on Risk Management and Internal Control of this Annual Report. During the financial year under review, the implementation and maintenance of the risk management process to help the Board in identifying, evaluating and managing the risk was carried out by the OC..

INTERNAL AUDIT FUNCTION

The Group outsourced its internal audit function to an independent professional service provider that reports directly to the AC to assess the adequacy and effectiveness of the Group's internal controls established by Management.

The internal audit function has undertaken independent and systematic reviews of the systems of internal controls and risk management within the Group so as to provide reasonable assurance that such systems continue to operate satisfactorily, effectively, and in compliance with the Group's established policies and procedures. The Internal Auditors are free from any relationship or conflict of interest, which could impair their objectivity and independence.



PRINCIPLE C: INTEGRITY IN CORPORATE REPORTING AND MEANINGFUL RELATIONSHIP WITH STAKEHOLDERS

COMMUNICATION WITH STAKEHOLDERS

The Board recognises the value of good investor relations and the importance of disseminating information in a fair and equitable manner, the participation of its members and investors, both individual and institutional, at the AGM.

As such, the Board is committed to disseminate all valuable information on the Group's performance and operations in a timely and adequately manner. Information is communicated through the following channels:

- a) The Annual Report; and
- b) The various disclosures and announcements made to Bursa Securities including the quarterly results and annual results, which will also be posted on the Company's website at www.uzmagroup.com.

The Company has an established website at www.uzmagroup.com, which serves as a useful reference for source of qualitative and quantitative information on the Group's operations and corporate developments to members, business partners and other stakeholders.

Any enquiry regarding the Company and the Group may be conveyed to the following personnel: -

Ms. Hanie Izawatie Binti Ahmad Kamil (Chief Legal Officer)
 Telephone Number : +603 7611 4000
 Fax Number : +603 7611 4100
 Email : communications@uzmagroup.com

Separately, the Company has also reported its Sustainability Statement of this Annual Report covering the governance, environmental and social responsibility aspects for our stakeholders' reference.

CONDUCT OF GENERAL MEETINGS

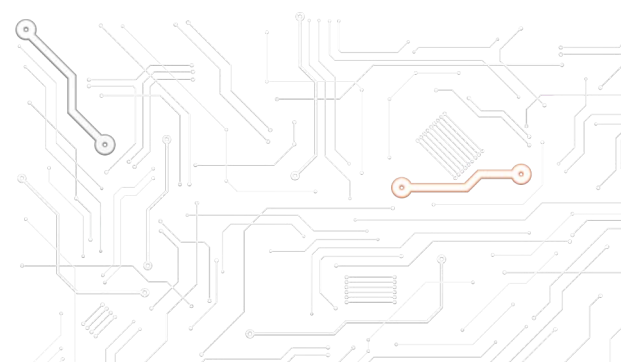
i) Annual General Meeting ("AGM")

The AGM represents the principal forum for dialogue and interaction with all the shareholders of the Company. The Company values feedback from its shareholders and encourages them to actively participate in discussion and deliberations. During the annual and other general meetings, members have direct access to the Board members who are on hand to answer their questions, either on specific resolutions or on the Company. The Chairman also ensures that reasonable time is provided to the members for a discussion at the meeting before each resolution is proposed.

During the preceding Sixteenth Annual General Meeting ("16th AGM"), the Company leverages on technology and continued to host its fourth virtual AGM through live streaming and online remote participation by using remoted participation and electronic voting facilities ("RPV"). The Chairman and members of the Board were present at the broadcast venue.

The questions raised by the shareholders, before and during the AGM, via real time submission of typed texts were concisely addressed by the Chairman and the Management.

All Directors, key senior management and External Auditors will attend the upcoming 17th AGM, which shall provide answers and clarifications to the shareholders. The shareholders will be provided with an opportunity to participate in the question and answer session in which the shareholders may raise questions pertaining to the business activities of the Company. If required, the Chairman, MD/GCEO and External Auditors will respond to questions from shareholders at the AGM.



ii) Notice for Annual General Meeting

The Board has adopted the recommendations of the Code for the notice of the AGM to be given to members at least 28 days prior to the meeting to ensure shareholders have sufficient time to go through the Annual Report and papers supporting the resolutions proposed. The shareholders who are unable to attend the AGM are advised to appoint proxies to attend and vote at the AGM on their behalf.

The Notice of AGM is also published in a nationally circulated newspaper, as well as an announcement was made on the Bursa Securities website. This allows the shareholders to have an immediate access of the Notice of AGM and make the necessary preparations for the AGM or to appoint proxy(ies) to vote on behalf of the respective shareholders.

All Board members will ensure their attendance in the AGM and the Chairman of the respective Board Committees with the MC shall attend to the questions raised pertaining to their duties. The External Auditors will also be present at the venue to provide clarifications particularly relating to the financial statements.

When there are special businesses or where special resolutions are proposed, the explanation of the effects of such special business or special resolutions are provided in the Notice of AGM under the explanatory notes.

In line with the Paragraph 8.29A(1) of the MMLR of Bursa Securities, all resolutions set out in the Notice of AGM will be put to a vote by poll. The Company has appointed an independent scrutineer to validate the vote cast during the AGM. The outcome of the AGM will then be announced to Bursa Securities on the same day, while minutes of AGM will be published on the Company's website (www.uzmagroup.com) at least 30 business day after the conclusion of the AGM, upon being reviewed and approved by the Board of Directors.

FOCUS AREA AND FUTURE PRIORITIES ON CORPORATE GOVERNANCE

Against a challenging business backdrop, the Board focused its attention on the foundational aspects of its roles as they relate to the creation of long-term value for our stakeholders. The Board will continue to enhance the corporate disclosure requirements in the best interest of the shareholders and stakeholders of the Company in the upcoming years. The areas to be prioritised by the Board will be those principles adopted by the Company as disclosed in the Corporate Governance Report:-

i) Boardroom Diversity

The Board acknowledges the significance of a diverse boardroom, encompassing not only gender diversity but also a spectrum of knowledge and expertise. Such a multi-dimensional board provides a blend of viewpoints, ideas, and market insights, resulting in enhanced problem-solving. This diversity uniquely positions us to gain a competitive advantage in effectively serving our increasingly diverse customer base.

ii) Review of the Board and Board Committees' Policies and Procedures

During the financial year under review, the Board undertook a review of the Terms of Reference of the AC as well as those policies which provide guidance on the governance and conduct of the Board, Board Committees, and employees of the Group.

The Board will review and update the existing policies and procedures, as and when necessary, to ensure that they are updated in accordance with the prevailing legal and regulatory promulgations as well as best practices.

RESPONSIBILITY STATEMENT BY DIRECTORS

The Board of Directors is required to issue a statement on its responsibility in the preparation of the annual audited financial statements as required under Paragraph 15.26(a) of the MMLR of Bursa Securities.

The Board is responsible for ensuring that the financial statements are properly drawn up in accordance with the provisions of the Companies Act 2016 and applicable Malaysian Financial Reporting Standards approved by the Malaysian Accounting Standards Board in Malaysia, to give a true and fair view of the financial position of the Company and the Group as at 30 June 2024 and of the results and cash flows of the Group and the Company for FY2024.

In preparing the financial statements, the Board have selected and applied consistently suitable accounting policies, and made reasonable and prudent judgements and estimates. The Board also have a general responsibility in taking reasonable steps to safeguard the assets of the Group as well as to prevent and detect fraud and other irregularities.

Presently, the Board is satisfied and of the view that the Company, in all material aspects, complied with the principles and practices asset out in the MCCG, with the exception of the departures duly disclosed.

The Corporate Governance Overview Statement was approved by the Board on 27 September 2024.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

Uzma Berhad ("Uzma" or "the Group") faces a variety of risks that could potentially impact our businesses and operations, along with our current and future performance, prospects and growth strategies, financial position, liquidity, asset values and reputation in the marketplace. Therefore, Uzma views effective risk management as a critical factor that contributes to the long-term sustainability of our businesses.

The Board of Directors ("Board") of Uzma takes into account all risk factors in its decision-making processes, which are in line with the Group's endeavours to build resilience for the business. The Board is cognisant of the fundamental importance of a sound risk management framework and internal control system to safeguard our shareholders' investments and stakeholders' interests.

This Statement lays out the nature and scope of Uzma's risk management framework and internal control system (excluding jointly controlled companies) for the Financial Year Ended 30 June 2024 ("FY2024"). The Statement has been prepared in accordance to paragraph 15.26 (b) of Bursa Malaysia Securities Berhad's Main Market Listing Requirements ("MMLR") and adheres to the guidelines outlined by the Statement on Risk Management and Internal Control: Guidelines for Directors of Listed Issuers.

However, it should be noted that inherent limitations may exist in any system of risk management and internal controls. As such, Uzma's risk management and internal control systems can only mitigate, rather than eliminate all risks that the Group faces. The overall objective of the Group's systems is to provide reasonable assurance against material misstatement and loss, as opposed to absolute assurance against the same.



ROLES AND RESPONSIBILITIES FOR RISK MANAGEMENT AND INTERNAL CONTROL

THE BOARD

The Board provides the overall oversight for risk management and internal control. The Board is responsible to understand and implement appropriate measures to manage the Group's key risk factors. The Board is also responsible to review the adequacy and integrity of the Group's internal control systems.

The Board's risk oversight is supported by the Audit Committee ("AC") and Sustainability and Risk Management Committee ("SRMC").

AUDIT COMMITTEE

The Board acknowledges that effective inspection and continuous monitoring is a critical component of a robust internal control system. In this respect, the Board, through the AC, regularly reviews reports on internal control as provided by the Internal Audit function. The objective of the Internal Audit function is to provide independent and objective assurance through a systematic and disciplined approach that focuses on evaluating and improving the effectiveness of risk management, control, and governance processes. The only exception is with regards to the Group's associates and jointly controlled companies, which is beyond the purview of the Internal Audit function as the Group does not have full management control over these companies.

Uzma's internal audit functions are conducted by third party consultants focusing on process compliance and controls. External audits are conducted by appointed external auditors in accordance with the Malaysian Financial Reporting Standards ("MFRS") and best practices of corporations in Malaysia. Both the internal and external auditors report directly to the AC, which then forwards its findings to the Board.



SUSTAINABILITY AND RISK MANAGEMENT COMMITTEE

On 1 December 2023, the Company established a Board level Sustainability & Risk Management Committee ("SRMC"), which comprises three independent non-executive directors appointed by the Board of Directors. The SRMC is responsible for, amongst others:

- To review the adequacy and effectiveness of Uzma's Risk Management Framework and the ongoing activities (including reports on key strategic and business risks as well as environmental, social and governance risks) for identifying, evaluating, monitoring and mitigating risks;
- Enterprise Risk Management Risk Register to ensure that appropriate systems and processes are in place to effectively monitor and manage the identified risks; and
- Determination of risk tolerance level of Uzma Group.

The SRMC is supported by two management representatives to provide leadership over the implementations of the plans.

RISK MANAGEMENT FRAMEWORK

Our risk management framework helps to identify and manage risks in a way that is supportive of our strategic priorities towards building a successful and sustainable business. Our approach towards risk management is framed by our ongoing understanding of the risks that we are exposed to, our risk appetite and how these risks evolve over time.

Risks across the Group are being managed on an integrated basis within stipulated and approved Limits of Authority ("LOA"). Evaluations of those risks are incorporated into the decision-making process. The Group has ongoing processes to manage principal risks that affect strategic objectives. This includes identifying, evaluating, managing, and monitoring risks. These processes continue to be in place for the financial year under review and up to the date of approval for this statement. Group-wide implementation of risk management and internal control is supported by the Oversight Committee.

The Group's risk profiles reflect the Group's position and acceptability to take risks in various areas, namely strategic, operational, financial, stakeholders, QHSE, while maintaining legal and regulatory compliance. At the corporate level, the Group's risk profiles are monitored and reported to the Oversight Committee, and then subsequently, will be reported to the SRMC and the Board.

Based on the outcome of the risk assessment exercise for FY2024, the following key risk areas were identified and actions/measures were taken to mitigate the material risk and opportunities:

- increasing competitions from local and international players,
- emerging technologies/innovations,
- financials, and
- information technology and security.

KEY INTERNAL CONTROLS

The Group's internal control system comprises policies, procedures and practices that ensure the implementation of risk management strategies to achieve the Board and Management's objectives.

OVERSIGHT COMMITTEE

The Oversight Committee ("OC") is a management-level committee, chaired by the Group MD/CEO, that was established to oversee a speedier and transparent execution of the Group's business strategy within the ambit of the approved budget and limits of authority ("LOA") delegated by the Board of Directors. The OC also oversees the performance of investments made within its scope on behalf of the Board. In addition to the monthly OC meetings, the OC also meets on ad hoc basis to discuss specific matters. This function was previously executed by the Management Committee.

LIMITS OF AUTHORITY

The Limits of Authority ("LOA") is an instrument of delegation of the Board's powers which defines the decision-making limits within the Group, providing a balance between effective and quality decision-making and appropriate management control. All LOA development and revisions are independently reviewed by the Group's Finance Division. It was recently updated on 22 November 2023.

The LOA provides the authority limits to the BOD, Procurement Tender Committee, OC and the respective senior management personnels to ensure the segregation of authority and collaborative as well as collective decision-making process.

CORPORATE PERFORMANCE

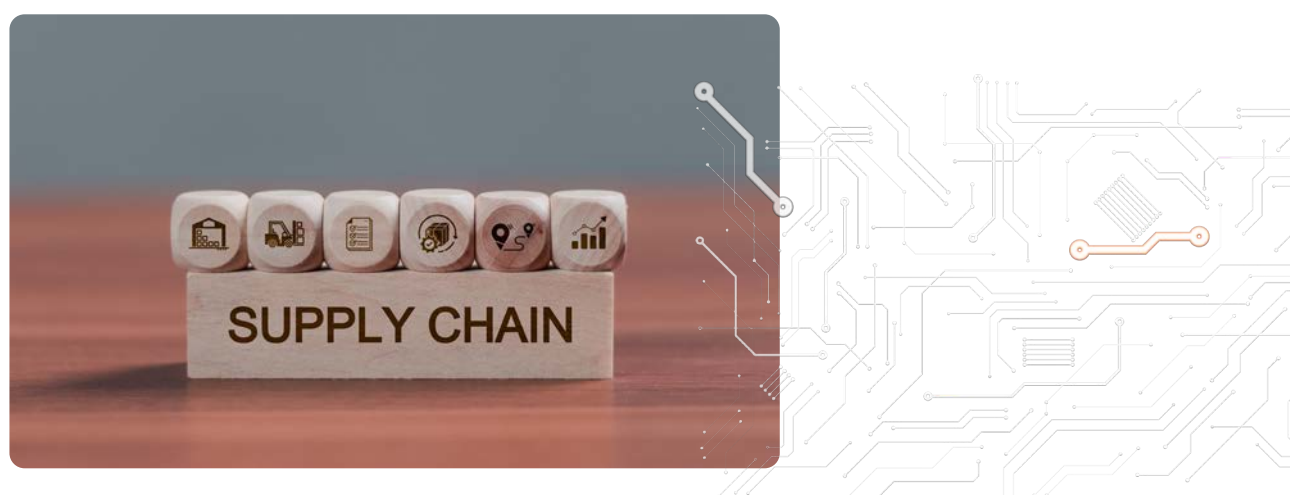
As part of the Corporate Performance Management process, the OC conducted strategic review of the key factors (e.g., global economy, industry trends) that drives the corporate objective and strategies. Key performance indicators were identified, and the performance of the Corporate Key Performance Indicators ("KPIs") were reviewed monthly. Key performance areas that were monitored consists of the Group's financial standing, order book and bid book, asset utilization, groupwide strategic initiatives and HSE statistics, among others. The status of the Corporate Performance was also reported to the Board on a quarterly basis.

GROUP SUPPLY CHAIN MANAGEMENT

Uzma's Group Supply Chain Management ("GSCM") division was established to strengthen the overall governance, improve operational efficiency, improve transparency and increase the profit margins for the Group. Key improvement initiatives were established to focus on Contract Management, Cost Control, Strategic Procurement, Vendor Management, Inventory Management, Procurement Operation and Logistics Operation.

Throughout the fiscal year, numerous critical improvements were implemented, starting from cost savings of the overall procurement spending enhancing the efficiency of the procurement process by improving the current procedure, the implementation of proper inventory and warehouse management including annual stock take/ cycle count to maintain accurate records in the inventory management system, standardization of product code to suit project requirements and maintain synchronization with the system for the users, implementation of budget monitoring cost structure in Project Management system, implementation of rental monitoring system to provide visibility and accuracy of rental activity and finally, introducing new procedure of Contract Management, to ensure the Contracts are well-managed, compliant, and contribute to the organization's overall success while minimizing risks and costs.

The Enterprise Resource Planning ("ERP") system has also been implemented to facilitate the approval within the procurement process & vendor registration process.



PROCUREMENT TENDER COMMITTEE

The Procurement Tender Committee ("PTC") serves a key function in supporting the Management and is implemented based on the LOA guidelines which describes the minimum requirements to govern procurement activities above a threshold limit set by the LOA duly established for groupwide adoption.

The Group formed the PTC in 2020 to review, deliberate and endorse all procurement requests above a threshold value as per the limit of authority prior to the approval by the Management. Risks evaluation and mitigation in vendor/supplier selections has been incorporated as part of the process. On 15th January 2024, Procurement Tender Committee (PTC) Process guideline ("Guidelines") was updated. The objective of the PTC is to deliberate and endorse procurement activities while ensuring corporate governance, integrity and transparency in the procurement process and contract management.



QHSE MANAGEMENT SYSTEM

The safety of our employees, customers and business partners associated with the Group's operations hold the highest priority. To support the organization's excellent quality, health, safety, and environment ("QHSE") performance, the Group has subscribed to and has been certified to ISO 9001:2015, ISO 14001:2015 and ISO 45001:2018 standards. Requirements in those standards will provide a strong base to implement other ISO management system standards.

The Group's QHSE division has developed and implemented several improvement initiatives guided by clear objectives, targets, and plans. The progress of these initiatives is included in the overall corporate objectives' dashboard which is reviewed monthly by the OC. Ultimately, the Uzma QHSE management system is part of the journey towards "Generative QHSE Culture" across the organisation.

INTERNAL AUDIT FUNCTION

The Group's internal audit function is outsourced to an independent audit service provider, Tricor Axcelasia Sdn Bhd, which to manages and conducts independent assessment on of the adequacy, effectiveness and integrity of the Group's risk management and internal control systems.

In FY2024, two (2) audit exercises were conducted, covering risk areas identified and agreed by the AC. The Board received and reviewed the internal audit reports on 23 August 2023, and 19 February 2024. Two (2) audit cycles were performed during the financial year under review, with the cost of the internal audit function amounting to RM50,000.00 (excluding Sales and Service Tax and out-of-pocket expenses).

The findings from the internal audit reviews, and recommendations for improvement, were discussed and reviewed by the respective managers and subsequently, presented to the Board through the Audit Committee. together with the Management's response and action plans.

Based on the internal audit reviews conducted, the Board is of the opinion that the identified control weaknesses were not significant that could result in any material losses and adversely affect the Group, that would require separate disclosure in the Annual Report. Nevertheless, for areas requiring attention, measures have been and are being taken to ensure on-going adequacy and effectiveness of internal controls and safeguard shareholders' investments and the Group's assets.

Further details of the internal audit function are outlined in the Audit Committee Report on page 179 of this Annual Report.

ANTI-BRIBERY AND WHISTLEBLOWING POLICY

The Group places a significant importance on good corporate governance by upholding the principles of good conduct, discipline, professionalism, and integrity in executing its business activities within the organization, as well as activities external to the organization. The Anti-Bribery Policy was established in May 2020 to set out the Group's guidelines in dealing with bribery, corruption, improper solicitation, sponsorship, gifting, and other corrupt activities that may arise during business for internal and external parties working with, for, and on behalf of the Group.

Together with its Anti-Bribery Policy, the Group also introduced its Whistleblowing Policy in May 2020 to facilitate the Group in achieving its aim to prevent improper conduct and provides a safe avenue for employees and external parties to disclose any improper conduct without fear of adverse or detrimental action for disclosing such conduct, provided that the disclosure is made in good faith.

ADEQUACY AND EFFECTIVENESS OF THE GROUP'S RISK MANAGEMENT AND INTERNAL CONTROL SYSTEM

The Board has received assurance from the MD/GCEO and Group Chief Financial Officer that the Group's risk management and internal control system are operating adequately and effectively in all material aspects. As a proactive organisation, the Management has initiated preliminary actions within its risk management activities to embrace the latest requirements from Section 17A of the Malaysia Anti-Corruption Commission Act 2009 ("MACC Act") which was amended by the Parliament of Malaysia on 5th April 2018. The new amendment clearly states that a commercial organisation could be prosecuted if a person associated with the organisation commits a corrupt act to enable the organisation to acquire or retain a contract or interest. The Management of Uzma has proactively activated the Risk Management system to ensure this risk is assessed and internal controls, in the form of adequate procedures and processes, shall be in-place at all relevant functions and levels of the organisation to prevent such conduct. The Board is of the view that the risk management and internal control system is satisfactory and no material internal control failures or any of the reported weaknesses have resulted in material losses or contingencies during the financial year under review.



REVIEW OF STATEMENT BY EXTERNAL AUDITORS

Pursuant to Paragraph 15.23 of MMLR of Bursa Securities and Audit and Assurance Practice Guide ("AAPG") 3, Guidance for Auditors on Engagement to Report on the Statement on Risk Management and Internal Control, issued by the Malaysian Institute of Accountants ("MIA"), the External Auditors have performed a limited assurance engagement on the Statement on Risk Management and Internal Control for the inclusion in this Annual Report for the Financial Year Ended 30 June 2024.

The External Auditors reported that nothing has come to their attention that could cause them to believe that the Statement is not prepared, in all material aspects, in accordance with the disclosures required by paragraphs 41 and 42 of the Guidelines to be set out or is factually inaccurate.

The Group's system of internal control applies to Uzma Berhad and its subsidiaries. Associated companies have been excluded because the Group does not have full management and control over them. However, the Group's interest is served through representations on the Boards of the respective Associated companies.

This Statement on Risk Management and Internal Control was approved by the Board on 27 September 2024.



AUDIT COMMITTEE REPORT

The Board of Directors ("Board") of Uzma Berhad ("Uzma" or "the Company") is pleased to present the Audit Committee ("AC") Report which provides insights on the function and duties, and decision-making process of the AC for the financial year ended 30 June 2024 ("FY2024") in compliance with Paragraph 15.15 of the Main Market Listing Requirements ("MMLR") of Bursa Malaysia Securities Berhad ("Bursa Securities").

COMPOSITION AND ATTENDANCE

The AC is established by the Board and currently comprises four (4) members as follows: -

CURRENT AUDIT COMMITTEE MEMBERS



Y.M. Tengku Ezuan Ismara Bin Tengku Nun Ahmad
Chairman/Independent Non-Executive Director



Encik Ikhlas Bin Abdul Rahman
Member/Independent Non-Executive Director



Encik Mazli Zakuan Bin Mohd Noor
Member/Independent Non-Executive Director



Dato' Nasri Bin Nasrun*
Member/ Non-Independent Non-Executive Director

Notes:

(*) Dato' Nasri Bin Nasrun was appointed as member of the AC on 20 February 2024.

The Chairman of the AC, Y.M. Tengku Ezuan Ismara Bin Tengku Nun Ahmad holds a Bachelor of Science (Hons) degree in Accounting and Finance from the University of East London. He has successfully completed the ACCA Qualification exams. The Chairman of the AC is not the Chairman of the Board. All members of the AC are financially literate and well-equipped with relevant knowledge and experience to effectively discharge their duties and responsibilities as members of the AC. In addition, Dato' Nasri Bin Nasrun is a Chartered Accountant and member of the Malaysian Institute of Accountants ("MIA"). Accordingly, the Company complies with paragraph 15.09(1)(c)(i) of the MMLR.

Details of the AC members are set out in the Directors' Profile of this Annual Report.

A total of five (5) AC meetings were held during the financial year ended 30 June 2024. The composition and the attendance of the AC member during the financial year are as follows: -

Directors's Name	Meeting Attendance					Total	Percentage (%)
	23 Aug 2023	25 Sep 2023	22 Nov 2023	19 Feb 2024	24 May 2024		
Y.M. Tengku Ezuan Ismara Bin Tengku Nun Ahmad Chairman (Independent Non-Executive Director)	✓	✓	✓	✓	✓	5/5	100
Encik Ikhlas Bin Abdul Rahman Member (Independent Non-Executive Director)	✓	✓	✓	✓	✓	5/5	100
Encik Mazli Zakuan Bin Mohd Noor* Member (Independent Non-Executive Director)	✗	✓	✓	✓	✓	4/5	80
Dato' Nasri Bin Nasrun Member ¹ (Non-Independent Non-Executive Director)	-	-	-	-	✓	1/1	100

Notes:

(1) Dato' Nasri Bin Nasrun was appointed as member of the AC on 20 February 2024.

The Managing Director/Group Chief Executive Officer ("MD/GCEO") and representatives from the Management were invited to the AC meetings to provide clarifications on the quarterly reports, audits, and operational issues. Minutes of each AC meeting was circulated to the members of the AC and tabled for confirmation at the following AC meeting and subsequently presented to the Board of Directors ("Board") for notation. The AC Chairman also reported to the Board on the activities undertaken and the key recommendations for the Board's consideration and decision.

The AC also made arrangements to meet and discuss with the external and internal auditors on any matters relating to the Group and its audit activities. The AC met once (1) for a separate private meeting with the external auditors without the presence of the executive members and the Management during the financial year under review.



AUTHORITY

The AC derives its authority from its Term of Reference. The AC shall have the resources which are required to perform its duties and also full and unrestricted access to any information pertaining to the Company and its subsidiaries ("the Group"). The AC is authorized to obtain independent or external professional or other advice and to secure the attendance of outsiders with relevant experience and expertise if it considers necessary.

The AC shall have direct communication channels with the Internal and External Auditors and with senior management of the Group and shall be able to convene meetings with External Auditors, Internal Auditors, or both, without the presence of executive members and employees of the Company, whenever deemed necessary.



ROLES AND RESPONSIBILITIES OF THE AC

The primary objective of the AC is to assist the Board of Directors in fulfilling its statutory and fiduciary responsibilities relating to the corporate accounting and practices for the Company and the Group and to ensure the adequacy and effectiveness of the Group's internal control measures.

In addition, the AC shall:

- a) Oversee and appraise the quality of the audits conducted by the Group's Internal Auditors and External Auditors;
- b) Maintain open lines of communication between the Board, the Internal Auditors and External Auditors for the exchange of views and information through regularly scheduled meetings, as well as to confirm their respective authority and responsibilities;
- c) Enhance the independence of both the External and Internal Auditors' functions through active participation in the audit process;
- d) Determine the adequacy of the Group's administrative, operating and accounting controls;
- e) Act upon the Board's request to investigate and report on any issues or concerns with regards to the management of the Group; and
- f) To consider any related party transactions and potential conflict of interests situations that arose, persist or may arise within the Company/Group including any transaction, procedure or course of conduct that raises questions of management integrity, and the measures taken to resolve, eliminate, or mitigate such conflicts.

The Terms of Reference ("TOR") of the AC is reviewed regularly. The revised terms of reference (in line with the updated MCGG 2021 and MMLR) was reviewed by the AC and approved by the Board on 23 August 2023. A copy of the TOR of the AC is made available on the Company's website at www.uzmagroup.com.

REVIEW OF PERFORMANCE OF THE AC

The performance and effectiveness of the AC is annually reviewed and assessed by the Board through its Nomination and Remuneration Committee ("NRC") on the term of office and performance of the AC and effectiveness of the AC in carrying out its duties as set out in the TOR. During the financial year under review, the Board is satisfied that the AC has effectively discharged its duties, functions, and responsibilities in accordance with the TOR of the AC and their performance throughout the year under review.

SUMMARY OF WORK DONE BY THE AC DURING THE FINANCIAL YEAR

During the financial year under review, the following works were carried out by the AC in discharging its duties and responsibilities in accordance with its TOR: -

1) Financial Reporting

- Reviewed and discussed with Management, the Group's quarterly financial report before recommending it to the Board for its consideration and approval, focusing particularly on financial reporting issues, significant judgement made by the Management and unusual events and compliance with accounting standards and other legal requirements.
- Reviewed the annual audited financial statements of the Company prior to submission of the Board for consideration and approval. The review focused particularly on changes of accounting policy, significant matters highlighted including key audit matters, financial reporting issues, significant and unusual events/transactions and how these matters are addressed and compliance with applicable approved accounting standards in Malaysia.

2) External Audit

- Reviewed the following matters with the External Auditors
 - i) The audit planning memorandum, audit strategy and scope of work for FY2024 outlining the risk assessment and audit approach, statutory timeline and audit activities, and matters arising from the audit;
 - ii) The results of the annual audit and accounting issues arising from the audit, their audit report and management letter together with the management's responses to the findings of the external auditor; and
 - iii) The impact of any changes to the accounting standards, the impact and adoption of the new accounting standards on the Company's financial statements.
- Reviewed the independence of the External Auditors to which the External Auditors confirmed that they have been independent throughout the conduct of the audit engagement 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 ("IESBA Code"), and they have fulfilled other ethical responsibilities in accordance with the By-Laws and the IESBA Code. The AC was satisfied with the interaction with the engagement partner and the team, which demonstrated their independence and professionalism.
- Reviewed the performance of external auditors in assessing their independence, technical competency and reasonableness of their audit fees and provision of non-audit services by external auditors, the performance of the external auditors and evaluated their suitability and independence before making recommendations to the Board on their re-appointment. The AC was satisfied with the performance, suitability and independence of the external auditors and thereby recommended to the Board for their reappointment at the AGM of the Company.
- Reviewed the proposed audit and non-audit fees of the external auditors for the financial year ended 30 June 2024. The non-audit service was in respect of the review on the Statement on Risk Management and Internal Control. The amount of non-audit fees was not significant compared to the audit fees. The AC was satisfied that the provision of non-audit service by the External Auditors did not impair their objectivity and independence as External Auditors.



3) Internal Audit

- Reviewed the following matters with the Internal Auditors: -
 - i) the appointment of outsourced professional services firm as Internal Auditors of the Company.
 - ii) the annual internal audit plan, and adequacy of scope and coverage on the activities of the Group, taking into consideration the assessment of the key risk areas were included and addressed accordingly. Discussed and approved the annual internal audit plan for adoption.
 - iii) the provision of services by the Internal Auditors and evaluated their independence and competency on their re-appointment.
 - iv) the internal audit reports presented by the Internal Auditors on their findings and recommendations with respect to system and control weaknesses and the Management's responses to these recommendations and actions taken to improve the internal control and procedures. A total of two (2) audit assignments were completed for FY2024.

4) Risk Management

- Assessed the adequacy and effectiveness of the risk management and internal control system.

5) Related Party Transactions

- Reviewed the related party transactions entered into by the Company and the Group to ensure the transactions are carried out on arms-length basis at all time and identify any potential conflict-of-interest situation that may arise within the Group and to ensure that they are not more favourable to the related parties than those generally available to the public and complies with the MMLR of Bursa Securities.

During the financial year under review, there were no Conflict of Interests situation declared/reported.

6) Annual Report Requirements

- Reviewed and recommended to the Board the following for their consideration and approval for inclusion in the Annual Report of the Company: -
 - i) Corporate Governance Overview Statement;
 - ii) Corporate Governance Report;
 - iii) Detailed Sustainability Statement;
 - iv) Statement on Risk Management and Internal Control; and
 - v) Audit Committee Report
- Reviewed the status of compliance of the Company with the MCCG, which are within the scope and functions of the AC, for the purpose of disclosure in the Statement of Corporate Governance pursuant to the requirements of Paragraph 15.25 of MMLR.

7) Conducted a private session with the External Auditors in the absence of the Executive Directors and the Management during the AC meeting.

INTERNAL AUDIT FUNCTION AND ITS ACTIVITIES

The Group's internal audit function is outsourced to an independent professional service provider, Tricor Axcelasia Sdn Bhd ("Tricor Axcelasia") to assist the AC and the Board in performing their duties by independently assessing the adequacy and effectiveness of the internal control and risk management systems as established by the Management.

The Engagement Director, Ms Sarine Loo, is a professional member with of the Institute of Internal Auditors of Malaysia (IIAM). Tricor Axcelasia will deploy a team of 3 to 5 staff, including the Engagement Director, per each visit. The team members involved in the internal audit holds professional qualifications and/or a university degree, with most being members of the IIAM. They are free from any relationships or conflicts of interest which could impair their objectivity and independence in conducting internal audit for the Group.

During FY2024, the Internal Auditors attended and reported to the AC in two (2) out of five (5) AC meetings. An independent review of key activities was conducted with the Group's operation to ensure proper internal control systems and risk management are in place by the Board and management. The reviews conducted during the financial year covered the included, following areas:

Entity Audited	Key Areas and Objectives
Uzma Engineering Sdn. Bhd., Geospatial AI Sdn. Bhd. and Uzma Environenergy Sdn. Bhd.	<ul style="list-style-type: none"> Resource Management Business Development and Marketing Management
Uzma Engineering Sdn. Bhd.	<ul style="list-style-type: none"> Anti-Bribery and Anti-Corruption ("ABAC") Management

The outcome of the audit reviews was discussed with Senior Management, and the Internal Auditors closely monitored the implementation progress of audit recommendations to ensure all audit findings and control concerns were addressed by Management on in a timely manner. Although certain internal control weaknesses were identified, none of the weaknesses has resulted in any material losses or contingencies that would require additional disclosure in this annual report. The Board, through the Audit Committee, received and reviewed the internal audit reports on 23 August 2023 and 19 February 2024.

The total costs incurred for the outsourced internal audit function for the financial year ended 30 June 2024 was RM50,000, excluding operating expenses.

The AC Report was made in accordance with the approval of the Board of Directors on 27 September 2024.

A SUMMARY OF ANY CONFLICT OF INTEREST OR POTENTIAL CONFLICT OF INTEREST SITUATION REVIEWED BY THE AUDIT COMMITTEE PURSUANT TO PARAGRAPH 15.12(1)(H) OF MMLR.

In accordance with the latest amendment of MMLR on 26 May 2023, the AC are pleased to report that Annual Report now includes a summary of any conflict of interest or potential conflict of interest situations that have been reviewed by the Audit Committee. During the course of the FY2024 review, we wish to highlight that no instances of conflict of interest situation have been identified or noted by the Audit Committee. This underscores our commitment to maintaining the highest standards of transparency and governance within our operations.

NOMINATION AND REMUNERATION COMMITTEE REPORT

The Board of Directors (Board) of Uzma Berhad ("Uzma" or "the Company") is pleased to present the Nomination and Remuneration Committee ("NRC") Report for the financial year ended 30 June 2024 ("FY2024") in compliance with Paragraph 15.08A(3) of the Main Market Listing Requirements ("MMLR") of Bursa Malaysia Securities Berhad ("Bursa Securities").

COMPOSITION

The Board of Directors ("Board") has delegated to the NRC the responsibility to establish, maintain and review the criteria to be used in the recruitment process and annual assessment of the Directors, including the assessment on the effectiveness of the Board as a whole, the performance of each individual Director and the Board Committees as well as the term of office and performance of the Audit Committee and its members on an annual basis. The NRC plays a vital role in enhancing good-governance and increasing the efficiency and accountability of the Board, ensuring that the decision-making processes are not only independent but are seen to be independent.

All assessments and evaluations carried out by the NRC in the discharge of all its functions are properly documented. The NRC is also responsible for reviewing the remuneration packages for the Executive Directors, Managing Director/ Group Chief Executive Officer ("MD/ GCEO") and Non-Executive Directors of the Group to attract, retain and motivate the Directors.

In line with its objective to ensure adequate checks and balances in the decision-making processes and in compliance with the requirements of Paragraph 15.08A(1) of the MMLR of Bursa Securities, the NRC is composed exclusively of Independent Non-Executive Directors ("INEDs").

Current NRC members are as follows:

CURRENT NOMINATION AND REMUNERATION COMMITTEE MEMBERS



Datuk Seri Dr. Zurainah Binti Musa
Chairperson/Independent Non-Executive Director



Y.M. Tengku Ezuan Ismara Bin Tengku Nun Ahmad
Member/Independent Non-Executive Director



Datuk Farisha Binti Pawan Teh
Member/Independent Non-Executive Director

FUNCTIONS AND RELATED ACTIVITIES IN 2024

The principal objective of the NRC is to assess and review the performance of the Board of Directors and Board Committees and to consider the appropriate size and composition of the Board. The underlying policy in determining the size and composition of the Board is based on the consideration of the complexity and scale of operations of the Company and the Group, the Board balance and Board's capacity to discharge its responsibilities effectively.

The summary of the review activities and the criteria and processes carried out by the NRC during the year under review are as follows: -

Review of the Performance and Effectiveness of the Board, Board Committees, and Individual Directors

The Board recognises the importance of having a diverse board and further acknowledges that there is always room to improve the diverse range of the Board. Therefore, the effectiveness of the Board and its Committees were assessed in a myriad of areas including the board structure/mix, decision making and boardroom participation and activities, meeting administration and conducts, skills and competencies, and roles and responsibilities, whilst the performance of the individual Directors are assessed in the area of contributions and interactions with peers, quality of the input of the Directors and their understanding of their respective roles and its diverse background with the goal to ensure checks and balances and good governance.

During the assessment exercise, the Directors were given a performance evaluation sheet for Individual Directors, Self/Peer Evaluation and Board Evaluation to complete. Whereas those Directors who are members of the Board Committees are given additional performance evaluation sheets for the respective Board Committees. With regards to the evaluation process of the NRC and Audit Committee ("AC"), the assessment of the effectiveness and performances of the NRC and AC are carried out by the Board with members of the respective committees abstained from deliberation.

Annual Independence Assessment

The NRC will review and assess the independence of the Independent Directors on an annual basis. The criteria of assessing independence in line with the definition of "independent directors" as prescribed by the MMLR of Bursa Securities, as well as the integrity and objectivity of the Independent Directors in discharging their duties.

Directors' Appointments and Re-election

One of the primary functions of the NRC is to oversee the selection and nomination of individuals for Board membership, as proposed by shareholder or director. The NRC conducts a thorough assessment of potential candidates, adhering to the criteria established in the Fit and Proper Policy for the Appointment and Re-election of Directors. During the year under review, the NRC had discussed and recommended the appointment of Dato' Nasri Bin Nasrun and Datin Rozita Binti Mat Shah @ Hassan as additional directors of the Company.

Datuk Seri Dr. Zurainah Binti Musa ("Datuk Seri Dr. Zurainah") was appointed on 13 May 2015 and would have served more than 9 years as at the date of 17th AGM. Datuk Seri Dr. Zurainah has expressed her intention to seek shareholders' approval to continue serving as an INED. The NRC reviewed and recommended the retention of Datuk Seri Dr. Zurainah as an INED of the Company until the conclusion of the 18th AGM, based on the following justifications:

- She fulfils the criteria of an Independent Director as stated in the MMLR of Bursa Securities, and therefore is able to bring independent and objective judgement to the Board;
- She has been with the Company for more than nine (9) years and therefore understands the Company's business and operations which enables her to participate actively and contribute during deliberations and discussions, including at the NRC (as Chairperson), Employees' Share Scheme Committee (as member) and at Board meetings; and
- She has devoted sufficient time and effort in attending the meetings and contributing to informed and balanced decision making. These recommendations were endorsed by the Board and Datuk Seri Dr. Zurainah has abstained from deliberations on this matter.

1) Character and Integrity:

- **Probity:**
Adherence to legal obligations, regulatory requirements, and professional standards, with no history of legal or disciplinary actions.
- **Personal Integrity:**
Engagement in honest and ethical business practices, free from deceitful or oppressive conduct.
- **Financial Integrity:**
Effective management of personal finances and absence of involvement in financially unsound activities.
- **Reputation:**
Maintains a good standing within the financial and business community, with no record of misconduct or governance failures.

2) Experience and Competence:

- **Qualifications:**
Possession of relevant educational qualifications and professional training that align with the required skill set.
- **Skills and Expertise:**
Demonstrated relevant experience and expertise in business, governance, and industry-specific areas.
- **Track Record:**
Proven past performance in leadership roles, with a history of driving business performance and governance excellence.
- **Continuous Development:**
Commitment to ongoing professional development and staying updated with industry trends and best practices.

3) Time and Commitment:

- **Availability:**
Possession of relevant educational qualifications and professional training that align with the required skill set.
- **Active Participation:**
Regular and meaningful participation in board meetings and activities, contributing constructively to discussions and decision-making.
- **Engagement:**
Demonstrates enthusiasm for the role, willing to invest time and effort to understand the company's operations and strategic direction.
- **Collaborative Attitude:**
Open-mindedness to different perspectives and the ability to make informed and balanced judgments.

By upholding these attributes, the Directors will be able to contribute to the effective governance and sustainable success of Uzma Berhad, ensuring the Company operates with integrity and achieves its strategic objectives.

The following outlines Uzma's boardroom appointment and/or re-appointment process:

Appointment of New Director	Existing Director
Identification of age, gender, ethnicity, mix of skills and experience, knowledge, expertise, professionalism of the candidate(s).	Re-election and/or evaluation of existing directors, as the case may be.
Selection of candidates	
"Fit and Proper" assessment by the NRC based on the criteria in above.	
The NRC's evaluation, deliberation, and confirmation that the Responsible Person is fit and proper for the Board and the Group's purposes.	
Interaction with the new candidate(s), if required.	Interaction between existing directors, if required
Recommendation by the NRC for the Board's approval.	
Decision by the Board on the recommended appointment of the new director.	Decision by the Board on the recommended re-election/ evaluation of the existing director, as the case may be.

Review of the Performance and Effectiveness of the Board, Board Committees, and Individual Directors

The Board recognises the importance of having a diverse board and further acknowledges that there is always room to improve the diverse range of the Board. Therefore, the effectiveness of the Board and its Committees are assessed in a myriad of areas including the board structure/mix, decision making and boardroom participation and activities, meeting administration and conducts, skills and competencies, and roles and responsibilities, whilst the performance of the individual Directors are assessed in the area of contributions and interactions with peers, quality of the input of the Directors and their understanding of their respective roles and its diverse background with the goal to ensure checks and balances and good governance.

During the assessment exercise, the Directors will be given a performance evaluation sheet for Individual Directors, Self/Peer Evaluation and Board Evaluation to complete. Whereas those Directors who are members of the Board Committees are given additional performance evaluation sheets for the respective Board Committees. With regards to the evaluation process of the NRC and Audit Committee ("AC"), the assessment of the effectiveness and performances of the NRC and AC are carried out by the Board with members of the respective committees abstained from deliberation.

- i) Reviewed and recommended the Directors' fees and benefits payable to the Directors from 1 December 2023 until the next AGM to the Board for its recommendation for shareholders' approval;
- ii) Proposed Remuneration Packages for the Executive Directors and/or Key Management Personnel with their Respective Key Performance Indicator;
- iii) Reviewed trainings attended by the Directors to-date and assessed their further training needs and requirements;
- iv) Proposed appointment of Directors;
- v) Proposed Bonus Payment in respect of the financial year ended 30 June 2024;
- vi) Proposed the new Reward Structure; and
- vii) The Board Succession Planning.

The Terms of Reference of the NRC is available on the Company's website at www.uzmagroup.com.



ADDITIONAL COMPLIANCE INFORMATION

AUDIT AND NON-AUDIT FEES

The audit and non-audit fees paid/payable to the external auditors for services rendered to the Company and/or its subsidiaries for the financial year ended 30 June 2024 are as follows: -

For the Financial year ended 30 June 2024	The Company RM'000	The Group RM'000
Audit Fees :		
- Statutory audits	170	622
- Regulatory related services	-	-
Non-Audit Fees	10	13



MATERIAL CONTRACTS INVOLVING THE INTEREST OF THE DIRECTORS AND MAJOR SHAREHOLDER

There is no material contract entered into by the Company and/or its subsidiaries involving directors' and/or major shareholders' interest since the end of the previous financial year and/or still subsisting at the end of this financial year.

CONTRACT RELATING TO LOANS

There were no contracts relating to loans by the Company and its subsidiaries involving the interest of Directors' and major shareholders during the financial year ended 30 June 2024.

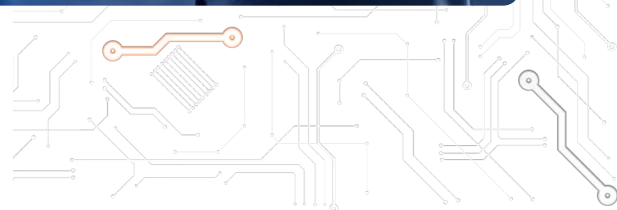
UTILISATION OF PROCEEDS RAISED FROM CORPORATE PROPOSAL

The Board received approval and a mandate for the Proposed Private Placement, which entailed the issuance of up to 58,084,575 Placement Shares, representing up to 15% of the total number of issued shares of Uzma (excluding treasury shares, if any), at the Extraordinary General Meeting (EGM) held on 12 June 2024.

Uzma subsequently implemented the Private Placement on 28 June 2024, issuing a total of 48,100,000 new ordinary shares, being the First Tranche of the Private Placement for a total cash consideration of RM56,277,000 pursuant to Section 75 & 76 of the Companies Act 2016. With this issuance of the First Tranche, Uzma has utilised approximately 82.81% of the approved mandate to issue new shares.

As at 30 September 2024, the status of utilisation of proceeds raised from the First Tranche of the Private Placement is as follows:

Purpose	Proposed Utilization RM'000	Actual Utilization RM'000	Balance RM'000	Intended Timeframe for Utilization
Development expenditure in relation to the Contract	49,677	49,677	-	Fully utilised
Repayment of bank borrowings	5,000	5,000	-	Fully utilised
Estimated expenses in relation to the Proposed Private Placement	1,600	1,600	-	Fully utilised
TOTAL	56,277	56,277	-	-

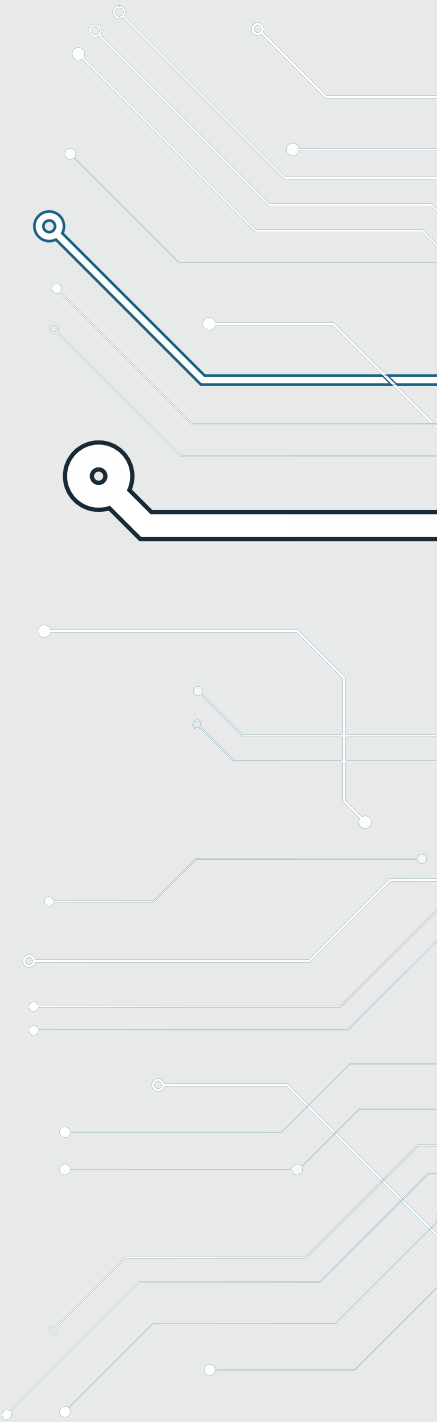


SECTION

06

FINANCIAL
STATEMENTS

Director’s Report	189
Statement by Directors	194
Statutory Declaration	194
Independent Auditor’s Report	195
Financial Statements	200





CORPORATE INFORMATION

DIRECTORS

- DATUK ABDULLAH BIN KARIM
- DATO' KAMARUL REDZUAN BIN MUHAMED
- DATIN ROZITA BINTI MAT SHAH @ HASSAN
- DATO' CHE NAZAHATUHHISAMUDIN BIN CHE HARON
- DATUK SERI DR. ZURAINAH BINTI MUSA
- IKHLAS BIN ABDUL RAHMAN
- YM TENGKU EZUAN ISMARA BIN TENGKU NUN AHMAD
- DATUK FARISHA BINTI PAWAN TEH
- MAZLI ZAKUAN BIN MOHD NOOR
- DATO' NASRI BIN NASRUN

COMPANY SECRETARIES

- KHOO MING SIANG
(MAICSA 7034037)
- CHIN WAI LENG
(LS0009738)

REGISTERED OFFICE

UNIT 521, 5TH FLOOR, LOBBY 6
BLOCK A, DAMANSARA INTAN
NO. 1, JALAN SS20/27
47400 PETALING JAYA
SELANGOR DARUL EHSAN

PRINCIPAL PLACE OF BUSINESS

UZMA TOWER
NO.2, JALAN PJU 8/8A
DAMANSARA PERDANA
47820 PETALING JAYA
SELANGOR DARUL EHSAN

AUDITORS

AL JAFREE SALIHIN KUZAIMI PLT
201506002872 (LLP0006652-LCA) & AF 1522
CHARTERED ACCOUNTANTS
NO. 555, JALAN SAMUDRA UTARA 1
TAMAN SAMUDRA
68100 BATU CAVES
SELANGOR DARUL EHSAN

DIRECTORS' REPORT

The directors have pleasure in presenting their report together with the audited financial statements of the Group and of the Company for the financial year ended 30 June 2024.

PRINCIPAL ACTIVITIES

The principal activity of the Company is investment holding. The principal activities of its subsidiaries are disclosed in Note 8 to the financial statements. There have been no significant changes in the nature of these activities during the financial year.

FINANCIAL RESULTS

	Group RM'000	Company RM'000
Profit for the financial year	54,467	13,821
Attributable to:		
Owners of the Company	50,081	13,821
Non-controlling interests	4,386	-
	54,467	13,821

DIVIDENDS

No dividend has been paid or declared by the Company since the end of the previous financial year.

On 27 September 2024, the directors recommended the payment of a first and final single tier dividend of RM0.02 per ordinary share in respect of the financial year ended 30 June 2024. The declaration of the first and final single tier dividend is subject to the approval of the shareholders at the forthcoming Annual General Meeting.

The entire first and final single tier dividend recommended by the directors will be applicable to the Proposed Dividend Reinvestment Scheme ("Proposed DRS") (subject to the approvals of the relevant authorities and shareholders). In the event all the relevant approvals for the Proposed DRS are not obtained, the said first and final single tier dividend will be paid wholly in cash.

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.

ISSUE OF SHARES AND DEBENTURES

During the financial year, the Company:

- i) issued 35,200,000 new ordinary shares at a price of RM0.61 per ordinary share pursuant to private placement for a total consideration of RM21,472,000.
- ii) issued 48,100,000 new ordinary shares at a price of RM1.17 per ordinary share pursuant to private placement for a total consideration of RM56,277,000.

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

There was no issue of debentures during the financial year.

DIRECTORS' INFORMATION (CONTD.)

DIRECTORS

The names of the directors of the Company in office since the beginning of the financial year to the date of this report are:

Datuk Abdullah Bin Karim	
Dato' Kamarul Redzuan Bin Muhamed*	
Datin Rozita Binti Mat Shah @ Hassan	(Appointed on 01.06.2024)
Dato' Che Nazahatuhisamudin Bin Che Haron*	
Datuk Seri Zurainah Binti Musa	
Ikhlas Bin Abdul Rahman	
YM Tengku Ezuan Ismara Bin Tengku Nun Ahmad	
Datuk Farisha Binti Pawan Teh	
Mazli Zakuan Bin Mohd Noor	
Dato' Nasri Bin Nasrun	(Appointed on 20.02.2024)
Yahya Bin Razali	(Retired on 30.11.2023)

* Directors of the Company and certain subsidiaries

The names of the directors of the Company's subsidiaries in office since the beginning of the financial year to the date of this report (not including those directors listed above) are:

Rizal Bin Mohd Arifin	
Mohd Shahrin Bin Saad	
Hanie Izawatie Binti Ahmad Kamil	
Ahmad Yunus Bin Abd Talib	
Dr. Ahmad Khalid Bin Md Khairi	
Dato' Sayed Alfeizal Bin Sayed Ahmad	
Mohammad Fadhli Bin Jamaluddin	
Dato' Dr. Ahmad Sabirin Bin Arshad	
Puvanesan A/L Subenthiran	
Datuk Seri Syed Ali Bin Tan Sri Syed Abbas Alhabshee	
Mohd Zulhaizan Bin Mohd Noor	
Faridahanim Binti Hamdan (f)	
Graham James John Brown	
Chiam Cheng Hong (f)	
Andrew James Holmes	
Fazlina Binti Othman	
Mohd Ashura Bin Mohd Ali	
Lee Chen Yow	(Appointed on 21.11.2023)
Liau Seng Tick	(Resigned on 28.06.2024)

DIRECTORS' INFORMATION (CONTD.)

DIRECTORS' INTERESTS

According to the Register of Directors' Shareholdings required to be kept by the Company under Section 59 of the Companies Act 2016 in Malaysia, the interests of directors in office at the end of the financial year in shares in the Company and its related corporations during the financial year were as follows:

Interests in the Company	Number of ordinary shares			
	As at 01.07.2023	Bought	Sold	As at 30.06.2024
Direct interests				
Dato' Che Nazahatuhisamudin Bin Che Haron	3,988,780	-	(1,988,780)	2,000,000
Datuk Farisha Binti Pawan Teh	365,000	-	-	365,000
Dato' Nasri Bin Nasrun^	-	1,050,000	-	1,050,000
Indirect interests				
Dato' Kamarul Redzuan Bin Muhamed *	110,526,674	-	(12,000,000)	98,526,674
Datin Rozita Binti Mat Shah @ Hassan^	-	98,526,674	-	98,526,674
Datuk Farisha Binti Pawan Teh #	-	230,000	-	230,000

* Shares held through company in which the director has substantial financial interests.

Deemed interested by virtue of the shareholdings held by her spouse, Jan Al Jeffri Abd Rashid pursuant to Section 59(11)(c) of the Companies Act 2016.

^ Direct/Indirect interest as at appointment date.

By virtue of his interests in the ordinary shares of the Company and pursuant to Section 8 of the Companies Act 2016 in Malaysia, Dato' Kamarul Redzuan Bin Muhamed is deemed to have an interest in the ordinary shares of the subsidiaries to the extent that the Company has an interest.

Other than as stated above, none of the other directors in office at the end of the financial year had any interest in the ordinary shares of the Company and its related corporations during the financial year.

DIRECTORS' BENEFITS

Since the end of the previous financial year, no director of the Company has received or become entitled to receive any benefit (other than benefits included in the aggregate amount of emoluments received or due and receivable, by the directors as shown below) by reason of a contract made by the Company or a related corporation with the director or with a firm of which the director is a member, or with a company in which the director has a substantial financial interest other than any deemed benefit which may arise from transactions as disclosed in Note 36 to the financial statements.

The directors' benefits of the Group and of the Company are as follows:

	Group RM'000	Company RM'000
Directors of the Company		
Fees	924	864
Salaries, bonus and other benefits	4,649	3,315
Defined contribution plans	503	361
	6,076	4,540
Directors of the subsidiaries		
Fees	30	60
Salaries, bonus and other benefits	3,350	1,334
Defined contribution plans	364	142
	3,744	1,536

Neither during, nor at the end of the financial year, was the Company a party to any arrangements where the 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' INFORMATION (CONTD.)

INDEMNITY AND INSURANCE FOR DIRECTORS AND OFFICERS

The Company maintains a directors' and officers' liability insurance for any legal liability incurred by the directors or officers in the discharge of their duties while holding office for the Company. The total amount insured for directors and officers of the Company for the financial year amounted to RM50,000,000. The directors and officers shall not be indemnified by such insurance for any negligence, fraud, intentional breach of law or breach of trust proven against them. No payment has been made to indemnify the directors or officers for the financial year ended 30 June 2024.

OTHER STATUTORY INFORMATION

Before the financial statements of the Group and of the Company were made out, the directors took reasonable steps:

- a) to ascertain that action had been taken in relation to the writing off of bad debts and the making of allowance for expected credit losses and had satisfied themselves that all known bad debts had been written off and that adequate allowance had been made for expected credit losses; and
- b) to ensure that any current assets which were unlikely to be realised in the ordinary course of business including their values as shown in the accounting records of the Group and of the Company had 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:

- a) which would render the amount written off as bad debts or the amount of allowance for expected credit losses in the financial statements of the Group and of the Company inadequate to any substantial extent; or
- b) which would render the values attributed to the current assets in the financial statements of the Group and of the Company misleading; or
- c) which have arisen which render adherence to the existing method of valuation of assets or liabilities of the Group and of the Company misleading or inappropriate.

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

- a) any charge on the assets of the Group or of the Company which has arisen since the end of the financial year which secures the liabilities of any other person; or
- b) any contingent liabilities in respect of the Group or of the Company which has arisen since the end of the financial year.

No contingent or other liability of the Group or 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 will or may affect the ability of the Group or of the Company to meet their obligations as and when they fall due.

The directors state that:

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



DIRECTORS' INFORMATION (CONTD.)

SIGNIFICANT EVENTS DURING AND EVENTS SUBSEQUENT TO THE END OF THE FINANCIAL YEAR

Details of material litigations, significant events during and subsequent to the end of the financial year are disclosed in Note 39 to the financial statements.

AUDITORS AND AUDITORS' REMUNERATION

The auditors, Al Jafree Salihin Kuzaimi PLT, have expressed their willingness to continue in the office.

Auditors' remuneration is as follows:

	Group RM'000	Company RM'000
Al Jafree Salihin Kuzaimi PLT:		
Statutory audit	507	170
Non statutory audit	13	10
	<hr/> 520	<hr/> 180
Other auditors:		
Statutory audit	115	-
	<hr/> 635	<hr/> 180

To the extent permitted by law, the Company has agreed to indemnify its auditors, Al Jafree Salihin Kuzaimi PLT, as part of the terms of its audit engagement against claims by third parties arising from the audit (for an unspecified amount). No payment has been made to indemnify Al Jafree Salihin Kuzaimi PLT for the financial year ended 30 June 2024.

Signed on behalf of the Board of Directors in accordance with a resolution of the directors dated 2 October 2024.

.....
**DATO' KAMARUL REDZUAN
BIN MUHAMED**

Director

Kuala Lumpur, Malaysia

.....
**DATO' CHE NAZAHATU HISAMUDIN
BIN CHE HARON**

Director

STATEMENT BY DIRECTORS

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

We, **DATO’ KAMARUL REDZUAN BIN MUHAMED** and **DATO’ CHE NAZAHATUHSAMUDIN BIN CHE HARON**, being two of the directors of **UZMA BERHAD**, do hereby state that, in the opinion of the directors, the accompanying financial statements are drawn up in accordance with the Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act, 2016 in Malaysia so as to give a true and fair view of the financial position of the Group and of the Company as at 30 June 2024 and of their financial performance and cash flows for the financial year then ended.

Signed on behalf of the Board of Directors in accordance with a resolution of the directors dated 2 October 2024.

.....
**DATO’ KAMARUL REDZUAN
BIN MUHAMED**

Director

.....
**DATO’ CHE NAZAHATUHSAMUDIN
BIN CHE HARON**

Director

Kuala Lumpur, Malaysia

STATUTORY DECLARATION

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

I, **LEE CHEN YOW**, being the officer primarily responsible for the financial management of **UZMA BERHAD**, do solemnly and sincerely declare that the accompanying financial statements are in my opinion, correct and I make this solemn declaration conscientiously believing the same to be true and by virtue of the provisions of the Statutory Declarations Act, 1960.

Signed on behalf of the Board of Directors in accordance with a resolution of the directors dated 2 October 2024.

Subscribed and solemnly declared by)
the abovenamed at **Kuala Lumpur**)
in the state of **Federal Territory**)
on)

Before me,

LEE CHEN YOW
MIA NO: CA 34301

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF UZMA BERHAD

(Incorporated in Malaysia)

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

Opinion

We have audited the financial statements of Uzma Berhad, which comprise the statements of financial position as at 30 June 2024 of the Group and of the Company, and the statements of 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 and other explanatory information, as set out on accompanying pages.

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 30 June 2024, and of their financial performance and their cash flows for the financial year then ended in accordance with the Malaysian Financial Reporting Standards, International Financial Reporting Standards, and the requirements of the Companies Act, 2016 in Malaysia.

Basis for Opinion

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

Independence and Other Ethical Responsibilities

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

Key Audit Matters

Key audit matters are those 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 key audit matters to be communicated in our report.

Group

Impairment of goodwill (Note 4(a) and Note 7 to the financial statements)

As at 30 June 2024, the net carrying value of goodwill of the Group amounted to RM186,924,000 as discussed in Note 7 to the financial statements.

Goodwill is tested for impairment annually and at other times when such indicators exist. This requires an estimation of the value-in-use of the cash generating units to which goodwill is allocated. When value-in-use calculations are undertaken, the Group uses its judgement to decide the discount rates to be applied in the recoverable amount calculation and assumptions supporting the underlying cash flow projections, including forecast growth rates and profit margins. Cash flows that are projected based on those inputs or assumptions may have a significant effect on the Group's financial position and results if the actual cash flows are less than that expected.

We identified this as our area of audit focus as the impairment assessment involves significant judgements and assumptions that are highly subjective.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF UZMA BERHAD (CONTD.)

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS (CONTD.)

Key Audit Matters (CONTD.)

Group (CONTD.)

Our response:

Our audit procedures focus on evaluating the cash flow projections and the Group's projection procedures which included, among others:

- obtained an understanding of the relevant internal controls over estimating the recoverable amount of the cash generating units ("CGU") or groups of CGUs;
- compared the actual results with previous cash flow projections to assess the performance of the business of the respective CGU and historical accuracy of the projections;
- tested the mathematical accuracy of the impairment assessment;
- performed a sensitivity analysis around the key inputs that are expected to be most sensitive to the recoverable amount of the respective CGU;
- assessed the reasonableness of the Group's assumptions in relation to key inputs such as discount rates, forecast growth rates and profit margins;
- challenged the key assumptions used by the managements for growth rate, discount rate; and
- evaluated the adequacy of the Group's disclosures of each key assumption on which form part of its cash flow projections.

Allowance of expected credit losses (Note 4(b), Note 12 and Note 15 to the financial statements)

As at 30 June 2024, the net carrying value of trade and other receivables and contract assets of the Group and the Company amounted to RM200,122,000 and RM77,565,000 respectively as disclosed in Note 12 and Note 15 in the financial statements.

The expected credit losses for trade receivables and contract assets are based on assumptions about risk of default and expected loss rate. The Group and the Company uses judgement in making these assumptions and selecting inputs to the impairment calculation, based on the Group's and the Company's past history, existing market conditions as well as forward looking estimates at the end of each reporting period.

The assessment of the correlation between historical observed default rates, forward-looking estimates and expected credit losses is a significant estimate. The amount of expected credit losses is sensitive to changes in circumstances and of forecast economic conditions over the expected lives of the financial assets. The Group's historical credit loss experience and forecast of economic conditions may also not be representative of customer's actual default in the future.

This is an area of audit focus as the determination of quantum of the allowance of expected credit losses is a subjective area due to the significant level of judgements and estimates applied by the management.

Our response:

Our audit procedures included, among others:

- understood the design and implementation of controls associated with monitoring of outstanding trade receivables and contract assets and impairment calculation;
- developed an understanding of significant credit exposures which were significantly overdue or deemed to be in default through analysis of ageing reports and other collection reports prepared by the Group;
- assessed the reasonableness and calculation of expected credit losses as at the end of the reporting period;
- obtained confirmation of balances from selected samples of the receivables;
- performed subsequent receipt procedure with regards to balances as at 30 June 2024 up until the financial statements date; and
- reviewed the actual billings during the year to ensure the derecognition of contract assets to trade receivables was recognised appropriately.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF UZMA BERHAD (CONTD.)

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS (CONTD.)

Key Audit Matters (CONTD.)

Revenue recognition (Note 3.15 and Note 28 to the financial statements)

During the financial year ended 30 June 2024, the Group revenue amounted to RM600,348,000 as disclosed in Note 28 in the financial statements.

Revenue is recognised when it is probable that the economic benefits associated with the transaction will flow to the Group and the amount of the revenue can be measured reliably.

Revenue is measured at the fair value of consideration received or receivable and the Group recognised revenue based on the various revenue streams.

We focused on this area due to the significant revenue amount reported and the significant time spent auditing the revenue balance.

Our response:

Our audit procedures focus on evaluating the cash flow projections and the Group's projection procedures which included, among others:

- walked through the process and test the Groups' internal controls on the revenue recognition;
- reviewed the sales transactions to ensure that the revenue recognised are in line with the relevant accounting standards, MFRS 15, *Revenue from Contract with Customers*;
- performed cut-off tests and ensured revenue recognized for the financial year are recognised in the correct period;
- all performance obligations within contracts with customers are identified correctly;
- reviewed the performance obligation under the term of the contract and determined the recognition of revenue whether its overtime or point in time;
- the transaction price (including any variable consideration) is properly estimated;
- the allocation of the transaction price to the relevant performance obligations is properly performed; and
- the timing of revenue recognition is appropriate based on when performance occurs and control of the related goods or services are transferred to the customer.

INFORMATION OTHER THAN THE FINANCIAL STATEMENTS AND AUDITORS' REPORT THEREON

The directors of the Company are responsible for the other information. The other information comprises the Directors' Report and the Annual Report but does not include the financial statements of the Group and of the Company and our auditors' report thereon, which we obtained prior to the date of this auditors' report, and the Annual Report 2024, which is expected to be made available to us after the date of this auditors' report.

Our opinion on the financial statements of the Group and of the Company does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements of the Group and of the Company, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements of the Group and of the Company or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.



INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF UZMA BERHAD (CONTD.)

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 the 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. The directors of the Company are responsible for overseeing the Group's financial reporting process.

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.
- 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, related safeguard.

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.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF UZMA BERHAD (CONTD.)

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

In accordance with the requirements of the Companies Act, 2016 in Malaysia, we also report that the subsidiaries of which we have not acted as auditors, are disclosed in Note 8 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.

AL JAFREE SALIHIN KUZAIMI PLT

201506002872 (LLP0006652-LCA) & AF 1522
CHARTERED ACCOUNTANTS

AHMAD SYHAZAN BIN YAACOB

NO. 03696/10/2024 J
CHARTERED ACCOUNTANT

Dated:
Selangor, Malaysia



STATEMENTS OF FINANCIAL POSITION

30 JUNE 2024

		Group		Company	
	Note	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Assets					
Non-current assets					
Property, plant and equipment	5	795,164	540,940	227	440
Right-of-use assets	6	23,190	25,455	11	80
Intangible assets	7	203,541	206,098	-	-
Investment in subsidiaries	8	-	-	408,763	407,441
Investment in associates	9	7,060	12,827	-	3,390
Investment in joint ventures	10	-	-	-	-
Deferred tax assets	11	8,059	2,401	1,026	-
Trade and other receivables	12	10,369	5,982	522	522
Other investments	13	105	105	-	-
		1,047,488	793,808	410,549	411,873
Current assets					
Inventories	14	67,846	47,608	-	-
Trade and other receivables	12	189,753	241,150	117,088	76,655
Contract assets	15	77,565	101,390	-	-
Other investments	13	22	257	150	146
Current tax assets		5,399	7,049	-	195
Deposits, cash and bank balances	16	132,301	95,836	14,108	13,260
		472,886	493,290	131,346	90,256
Total Assets		1,520,374	1,287,098	541,895	502,129

STATEMENTS OF FINANCIAL POSITION AS AT 30 JUNE 2024 (CONTD.)

		Group		Company	
	Note	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Equity And Liabilities					
Equity attributable to owners of the Company					
Share capital	17	383,523	307,535	383,523	307,535
Foreign currency translation reserve	18	40,876	39,840	-	-
Capital reserve	19	277	277	-	-
Merger deficit	20	(29,700)	(29,700)	-	-
Fair value reserve	21	-	(6,000)	-	-
Retained earnings		217,272	180,007	31,749	24,834
		612,248	491,959	415,272	332,369
Perpetual sukuk	22	-	40,852	-	40,852
Non-controlling interests		32,609	30,374	-	-
Total Equity		644,857	563,185	415,272	373,221
Non-current liabilities					
Loans and borrowings	23	350,420	138,894	64,251	45,961
Lease liabilities	24	13,512	12,580	-	20
Deferred tax liabilities	11	26,750	24,454	30	30
Trade and other payables	25	12,850	23,540	-	-
Post employment benefit liabilities	26	2,864	2,619	-	-
Deferred income	27	11,949	13,614	-	-
		418,345	215,701	64,281	46,011
Current liabilities					
Loans and borrowings	23	267,634	223,666	37,533	43,460
Lease liabilities	24	3,656	5,978	16	76
Trade and other payables	25	155,365	227,575	24,131	39,361
Contract liabilities	15	26,254	50,832	-	-
Current tax liabilities		4,263	161	662	-
		457,172	508,212	62,342	82,897
Total Liabilities		875,517	723,913	126,623	128,908
Total Equity And Liabilities		1,520,374	1,287,098	541,895	502,129

STATEMENTS OF COMPREHENSIVE INCOME FOR THE FINANCIAL YEAR ENDED

30 JUNE 2024

	Note	Group		Company	
		2024 RM'000	2023 RM'000 Restated	2024 RM'000	2023 RM'000
Revenue	28	600,348	473,775	34,987	22,617
Cost of sales		(387,838)	(307,004)	-	-
		212,510	166,771	34,987	22,617
Other income	29	7,914	2,104	6,369	147
Administrative expenses		(94,312)	(81,792)	(21,114)	(15,901)
Net impairment losses of financial assets		(4,488)	1,827	-	-
Other operating expenses		(40,067)	(29,117)	(509)	(1,909)
Profit from operations		81,557	59,793	19,733	4,954
Finance costs		(20,450)	(18,192)	(6,048)	(4,225)
Trade and other receivables		17	2,353	-	-
Profit before taxation	30	61,124	43,954	13,685	729
Taxation	31	(6,657)	(5,873)	136	273
Profit for the financial year		54,467	38,081	13,821	1,002

STATEMENTS OF COMPREHENSIVE INCOME FOR THE FINANCIAL YEAR ENDED 30 JUNE 2024 (CONTD.)

Note	Group		Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Other comprehensive income, net of tax				
<i>Items that will not be reclassified subsequently to profit or loss</i>				
Actuarial gain from employee benefits	45	44	-	-
<i>Items that may be reclassified subsequently to profit or loss</i>				
Exchange differences in translation of foreign operations	1,074	4,164	-	-
Other comprehensive income for the financial year	1,119	4,208	-	-
Total comprehensive income for the financial year	55,586	42,289	13,821	1,002
Profit attributable to:				
Owners of the Company	50,081	36,679	13,821	1,002
Non-controlling interests	4,386	1,402	-	-
	54,467	38,081	13,821	1,002
Total comprehensive income attributable to:				
Owners of the Company	51,157	40,883	13,821	1,002
Non-controlling interests	4,429	1,406	-	-
	55,586	42,289	13,821	1,002
Earnings per share (sen):				
-Basic and diluted	32	11.16	9.53	

STATEMENTS OF CHANGES IN EQUITY
FOR THE FINANCIAL YEAR ENDED

30 JUNE 2024

Group

Attributable to owners of the Company

	Note	Share capital RM'000	Foreign currency translation reserve RM'000	Capital reserve RM'000	Merger deficit RM'000	Fair value reserve RM'000	Retained earnings RM'000	Subtotal RM'000	Perpetual sukuk RM'000	Non- controlling interests RM'000	Total equity RM'000
At 1 July 2023		307,535	39,840	277	(29,700)	(6,000)	180,007	491,959	40,852	30,374	563,185
Total comprehensive income for the financial year											
Profit for the financial year		-	-	-	-	-	50,081	50,081	-	4,386	54,467
Actuarial gain from employee benefits	26	-	-	-	-	-	40	40	-	5	45
Derecognition of fair value reserve		-	-	-	-	6,000	(6,000)	-	-	-	-
Exchange differences in foreign currency translation		-	1,036	-	-	-	-	1,036	-	38	1,074
Total comprehensive income		-	1,036	-	-	6,000	44,121	51,157	-	4,429	55,586
Transactions with owners											
Issuance of shares by the company		77,749	-	-	-	-	-	77,749	-	-	77,749
Transaction costs of share issue		(1,761)	-	-	-	-	-	(1,761)	-	-	(1,761)
Redemption of perpetual sukuk		-	-	-	-	-	-	-	(40,852)	-	(40,852)
Dividend paid by the subsidiaries to non-controlling interests		-	-	-	-	-	-	-	-	(2,139)	(2,139)
Acquisition of non-controlling interests		-	-	-	-	-	50	50	-	(62)	(12)
Disposal of a subsidiary		-	-	-	-	-	-	-	-	7	7
Distribution to perpetual sukuk holders		-	-	-	-	-	(6,906)	(6,906)	-	-	(6,906)
Total transactions with owners		75,988	-	-	-	-	(6,856)	69,132	(40,852)	(2,194)	26,086
At 30 June 2024		383,523	40,876	277	(29,700)	-	217,272	612,248	-	32,609	644,857

STATEMENTS OF CHANGES IN EQUITY FOR THE FINANCIAL YEAR ENDED 30 JUNE 2024 (CONTD.)

Group (contd.)

Attributable to owners of the Company

	Note	Share capital RM'000	Foreign currency translation reserve RM'000	Capital reserve RM'000	Merger deficit RM'000	Fair value reserve RM'000	Retained earnings RM'000	Subtotal RM'000	Perpetual sukuk RM'000	Non- controlling interests RM'000	Total equity RM'000
At 1 July 2022		307,535	35,578	375	(29,700)	(6,000)	146,402	454,190	40,852	29,582	524,624
Total comprehensive income for the financial year											
Profit for the financial year		-	-	-	-	-	36,679	36,679	-	1,402	38,081
Actuarial gain from employee benefits	26	-	-	-	-	-	40	40	-	4	44
Exchange differences in foreign currency translation		-	4,262	(98)	-	-	-	4,164	-	-	4,164
Total comprehensive income		-	4,262	(98)	-	-	36,719	40,883	-	1,406	42,289
Transactions with owners											
Dividend paid by the subsidiaries to non-controlling interests		-	-	-	-	-	-	-	-	(614)	(614)
Distribution to perpetual sukuk holders		-	-	-	-	-	(3,114)	(3,114)	-	-	(3,114)
Total transactions with owners		-	-	-	-	-	(3,114)	(3,114)	-	(614)	(3,728)
At 30 June 2023		307,535	39,840	277	(29,700)	(6,000)	180,007	491,959	40,852	30,374	563,185

STATEMENTS OF CHANGES IN EQUITY FOR THE FINANCIAL YEAR ENDED 30 JUNE 2024 (CONTD.)

Company	Attributable to owners of the Company				
	Share capital RM'000	Retained earnings RM'000	Subtotal RM'000	Perpetual sukuk RM'000	Total equity RM'000
At 1 July 2023	307,535	24,834	332,369	40,852	373,221
Total comprehensive income for the financial year	-	13,821	13,821	-	13,821
Profit for the financial year					
Total comprehensive income	-	13,821	13,821	-	13,821
Transactions with owners					
Issuance of new shares	77,749	-	77,749	-	77,749
Transaction costs of share issue	(1,761)	-	(1,761)	-	(1,761)
Redemption of perpetual sukuk	-	-	-	(40,852)	(40,852)
Distribution to perpetual sukuk holders	-	(6,906)	(6,906)	-	(6,906)
Total transactions with owners	75,988	(6,906)	69,082	(40,852)	28,230
At 30 June 2024	383,523	31,749	415,272	-	415,272

STATEMENTS OF CHANGES IN EQUITY FOR THE FINANCIAL YEAR ENDED 30 JUNE 2024 (CONTD.)

Company (contd.)

Attributable to owners of the Company

	Share capital RM'000	Retained earnings RM'000	Subtotal RM'000	Perpetual sukuk RM'000	Total equity RM'000
At 1 July 2022	307,535	26,946	334,481	40,852	375,333
Total comprehensive income for the financial year	-	1,002	1,002	-	1,002
Profit for the financial year	-	1,002	1,002	-	1,002
Total comprehensive income	-	1,002	1,002	-	1,002
Transactions with owners					
Distribution to perpetual sukuk holders	-	(3,114)	(3,114)	-	(3,114)
Total transactions with owners	-	(3,114)	(3,114)	-	(3,114)
At 30 June 2023	307,535	24,834	332,369	40,852	373,221

STATEMENTS OF CASH FLOWS FOR THE FINANCIAL YEAR ENDED

30 JUNE 2024

		Group		Company	
	Note	2024 RM'000	2023 RM'000 Restated	2024 RM'000	2023 RM'000
Cash flows from operating activities					
Profit before tax		61,124	43,954	13,685	729
<i>Adjustments for:</i>					
Amortisation of intangible assets	7	4,353	4,098	-	-
Amortisation of government grant	27	(1,665)	(1,248)	-	-
Bad debts written off		16	-	-	-
Depreciation of property, plant and equipment	5	43,827	43,935	420	425
Depreciation of right-of-use assets	6	5,872	5,211	69	68
Dividend income		-	-	(16,750)	(7,636)
Other investment written off		-	3,975	-	-
Gain on disposal of a subsidiary	8(c)	(480)	-	(494)	-
Gain on disposal of an associate	9 (a)	(1,233)	-	(3,627)	-
(Gain)/Loss on disposal of property, plant and equipment		(373)	5	-	-
(Gain)/Loss on lease modification		(231)	49	-	-
Loss on derecognition of lease		50	-	-	-
Expected credit losses/(reversal of expected credit losses) on:					
- trade receivables	12	34	1,513	-	-
- other receivables	12	4,454	(3,340)	-	-
Impairment on:					
- investment in subsidiaries	8	-	-	-	1,415
Interest expense		20,450	18,192	6,048	4,225
Inventories written off	14	-	341	-	-
Inventories written down	14	-	24	-	-
Inventories written back	14	(12)	(128)	-	-
Interest income		(1,099)	(631)	(149)	(140)
Net unrealised loss on foreign exchange		561	381	-	-
Share of results of associates		(17)	(2,353)	-	-
Provision for post employment benefits		644	228	-	-
		136,275	114,206	(798)	(914)

STATEMENTS OF CASH FLOW FOR THE FINANCIAL YEAR ENDED 30 JUNE 2024 (CONTD.)

		Group		Company	
	Note	2024 RM'000	2023 RM'000 Restated	2024 RM'000	2023 RM'000
Cash flows from operating activities (Contd.)					
Operating profit/(loss) before working capital changes		136,275	114,206	(798)	(914)
<i>Working capital changes :-</i>					
Contract assets		23,825	63,639	-	-
Contract liabilities		(24,578)	77,968	-	-
Inventories		(20,226)	(1,637)	-	-
Receivables		50,916	(96,770)	(16,169)	1,990
Payables		(82,204)	19,644	555	(420)
Net cash generated from/(used in) operations		84,008	177,050	(16,412)	656
Financing cost paid		(947)	(561)	-	-
Tax (paid)/refund		(5,576)	4,849	-	-
Net cash generated from/(used in) operating activities		77,485	181,338	(16,412)	656
Cash flows from investing activities					
Advances to subsidiaries		-	-	(1,258)	(10,507)
Changes in pledged deposits	16	(9,456)	(13,285)	(1,170)	(96)
Redemption of perpetual sukuk		(40,852)	-	(40,852)	-
Dividend received		-	1,015	-	2,636
Interest received		1,099	631	149	140
Acquisition of non-controlling interests		(12)	-	-	-
Changes in unpledged fixed deposits with tenure more than 3 months	16	(5,467)	13,804	-	-
Proceeds from disposal of property, plant and equipment		7,450	24	-	-
Net disposal/(acquisition) of other investments		235	(16)	(3)	(5)
Addition of intangible assets		(845)	(410)	-	-
Purchase of property, plant and equipment	(a)	(306,219)	(80,979)	(207)	(12)
Net cash used in from investing activities		(354,067)	(79,216)	(43,341)	(7,844)

STATEMENTS OF CASH FLOW FOR THE FINANCIAL YEAR ENDED 30 JUNE 2024 (CONTD.)

	Note	Group		Company	
		2024 RM'000	2023 RM'000 Restated	2024 RM'000	2023 RM'000 Restated
Cash flows from financing activities	(b)				
Financing cost paid		(19,503)	(17,631)	(6,048)	(4,225)
Proceeds from issuance of shares	17	75,988	-	75,988	-
Distribution to perpetual sukuk holders		(6,906)	(3,114)	(6,906)	(3,114)
Net payments of lease liabilities		(4,826)	(4,810)	(80)	(79)
Net drawdown of revolving credit		77,291	4,215	940	7,861
Net drawdown of invoice financing		11,042	1,950	-	-
Net drawdown/(repayment) of term loans		329,295	(45,320)	25,183	(13,212)
Repayment of medium term notes		(124,143)	(49,509)	-	-
Repayment to a director		(81)	(4)	-	(81)
Repayment to an associate		(401)	(1,316)	-	-
Advances from non-controlling interests		920	7,893	-	-
Net (repayment)/advances from subsidiaries		-	-	(15,886)	19,959
Dividends paid to non-controlling interests by subsidiaries		(2,139)	(614)	-	-
Net cash generated from/(used in) financing activities		336,537	(108,260)	73,191	7,109
Net increase/(decrease) in cash and cash equivalents		59,955	(6,138)	13,438	(79)
Cash and cash equivalents at the beginning of the financial year		6,491	21,133	(11,876)	(11,797)
Effect of exchange rate changes on cash and cash equivalents		(422)	(8,504)	-	-
Cash and cash equivalents at the end of the financial year	16	66,024	6,491	1,562	(11,876)

STATEMENTS OF CASH FLOW FOR THE FINANCIAL YEAR ENDED 30 JUNE 2024 (CONTD.)

(a) Purchase of property, plant and equipment:

	Group		Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Cash payments on purchase of property, plant and equipment	306,219	80,979	207	12

(b) Reconciliations of liabilities arising from financing activities:

Group	As at 01.07.2023 RM'000	Cash flows RM'000	Non-cash	As at 30.06.2024 RM'000
			Addition of new leases RM'000	
Term loans	108,819	329,295	-	438,114
Lease liabilities	18,558	(4,826)	3,436	17,168
Revolving credit	39,889	77,291	-	117,180
Invoice financing	46,579	11,042	-	57,621
Medium term notes	124,143	(124,143)	-	-
Amount owing to a director	81	(81)	-	-
Amount owing to an associate	401	(401)	-	-
Amounts owing to non-controlling interest	9,117	920	-	10,037
	347,587	289,097	3,436	640,120

Company	As at 01.07.2023 RM'000	Cash flows RM'000	As at 30.06.2024 RM'000
Term loans	59,095	25,183	84,278
Lease liabilities	96	(80)	16
Revolving credit	16,566	940	17,506
Amounts owing to subsidiaries	34,150	(15,886)	18,264
	109,907	10,157	120,064

STATEMENTS OF CASH FLOW FOR THE FINANCIAL YEAR ENDED 30 JUNE 2024 (CONTD.)

(b) Reconciliations of liabilities arising from financing activities: (Contd.)

Group	As at 01.07.2022 RM'000	Cash flows RM'000	Non-cash	As at 30.06.2023 RM'000
			Addition of new leases RM'000	
Term loans	154,139	(45,320)	-	108,819
Lease liabilities	16,601	(4,810)	6,767	18,558
Revolving credit	35,674	4,215	-	39,889
Invoice financing	44,629	1,950	-	46,579
Medium term notes	173,652	(49,509)	-	124,143
Amount owing to a director	85	(4)	-	81
Amount owing to an associate	1,717	(1,316)	-	401
Amounts owing to non-controlling interest	1,224	7,893	-	9,117
	427,721	(86,901)	6,767	347,587

Company	As at 01.07.2022 RM'000	Cash flows RM'000	As at 30.06.2023 RM'000
Term loans	72,307	(13,212)	59,095
Lease liabilities	175	(79)	96
Revolving credit	8,705	7,861	16,566
Amount owing to a director	81	(81)	-
Amounts owing to subsidiaries	14,191	19,959	34,150
	95,459	14,448	109,907

(c) Total cash outflows for leases as a lessee:

	Group		Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Included in net cash from operating activities:				
Payment relating to short-term leases	22,802	24,004	1,414	1,309
Interest paid in relation to lease liabilities	357	2,413	-	8
Included in net cash from financing activities:				
Payment of lease liabilities	4,826	4,810	80	79
Total cash outflows of leases	27,985	31,227	1,494	1,396

NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2024

1. CORPORATE INFORMATION

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

The registered office of the Company is located at Unit 521, 5th Floor, Lobby 6, Block A, Damansara Intan, 47400 Petaling Jaya, Selangor Darul Ehsan.

The principal place of business of the Company is located at Uzma Tower, No.2, Jalan PJU 8/8A, Damansara Perdana, 47820 Petaling Jaya, Selangor Darul Ehsan.

The principal activity of the Company is investment holding. The principal activities of its subsidiaries are set out in Note 8 to the financial statements. There have been no significant changes in the nature of these activities during the financial year.

2. BASIS OF PREPARATION

2.1 Statement of compliance

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

2.2 Adoption of amendments/improvements to MFRSs

During the financial year, the Group and the Company have adopted the following amended MFRSs that are mandatory for annual financial period beginning on or after 1 January 2023:

Description		Effective for annual period beginning on or after
Amendment to MFRS 9 and MFRS 17	Insurance Contracts - Initial Application of MFRS 17 and MFRS 9 (Comparative Information)	1 January 2023
Amendment to MFRS 108	Accounting Policies, Changes in Accounting Estimates and Errors - Definition of Accounting Estimates	1 January 2023
Amendment to MFRS 112	Income Taxes - Deferred Tax related to Assets and Liabilities arising from a Single Transaction	1 January 2023
Amendment to MFRS 101	Presentation of Financial Statements - Disclosure of accounting policies	1 January 2023

The initial application of the abovementioned new and amendments to published standards and IC interpretation, where applicable, are not expected to have any material financial impact to the financial statements of the Company.

Amendments to MFRS 101: Disclosure of accounting policies

The amendments to MFRS 101 provide guidance and examples to help entities apply materiality judgements to accounting policy disclosures. The amendments aim to help entities provide accounting policy disclosures that are more useful by replacing the requirement for entities to disclose their 'significant' accounting policies with requirement to disclose their 'material' accounting policies and adding guidance on how entities apply the concept of materiality in making decisions about accounting policy disclosures.

NOTES TO THE FINANCIAL STATEMENTS (CONTD.)

2. BASIS OF PREPARATION (CONTD.)

2.3 Standards issued but not yet effective

The following amendments that have been issued by the Malaysian Accounting Standards Board will become effective in future financial reporting periods and have not been adopted by the Group or the Company in these financial statements:

Description		Effective for annual period beginning on or after
Amendment to MFRS 107	Supplier Finance Arrangements	1 January 2024
Amendment to MFRS 16	Lease Liability in a Sale and Leaseback	1 January 2024
Amendment to MFRS 101	Presentation of Financial Statements - Non-current Liabilities with Covenants	1 January 2024
Amendment to MFRS 10	Consolidated Financial Statements - Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	Deferred
Amendment to MFRS 128	Investment in Associates and Joint Ventures - Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	Deferred

The Group and the Company are expected to apply the above-mentioned amendments beginning from the respective dates the amendments become effective. The initial application of the abovementioned amendments are not expected to have any material impacts to the financial statements of the Group and the Company.

2.4 Functional and presentation currency

The individual financial statements of each entity in the Group are measured using the currency of the primary economic environment in which the entity operates ("the functional currency"). The consolidated financial statements are presented in Ringgit Malaysia ("RM"), which is also the Company's functional currency, and has been rounded to the nearest RM'000, unless otherwise stated.

2.5 Basis of measurement

The financial statements of the Group and of the Company have been prepared on the historical cost basis, except as otherwise disclosed in Note 3.

NOTES TO THE FINANCIAL STATEMENTS (CONTD.)

3. SUMMARY OF MATERIAL ACCOUNTING POLICIES

Unless otherwise stated, the following accounting policies have been applied consistently to all the financial years presented in the financial statements of the Group and of the Company.

3.1 Basis of consolidation

The consolidated financial statements comprise the financial statements of the Company and its subsidiaries. The financial statements of the subsidiaries used in the preparation of the consolidated financial statements are prepared for the same reporting date as the Company. Consistent accounting policies are applied to like transactions and events in similar circumstances.

(a) Subsidiaries and business combination

Subsidiaries are entities (including structured entities) over which the Group is exposed, or has rights, to variable returns from its involvement with the acquirees and has the ability to affect those returns through its power over the acquirees.

The financial statements of subsidiaries are included in the consolidated financial statements from the date the Group obtains control of the acquirees until the date the Group loses control of the acquirees.

The Group applies the acquisition method to account for business combinations from the acquisition date.

For a new acquisition, goodwill is initially measured at cost, being the excess of the following:

- the fair value of the consideration transferred, calculated as the sum of the acquisition-date fair value of assets transferred (including contingent consideration), the liabilities incurred to former owners of the acquiree and the equity instruments issued by the Group. Any amounts that relate to pre-existing relationships or other arrangements before or during the negotiations for the business combination, that are not part of the exchange for the acquiree, will be excluded from the business combination accounting and be accounted for separately; plus
- the recognised amount of any non-controlling interests in the acquiree either at fair value or at the proportionate share of the acquiree's identifiable net assets at the acquisition date (the choice of measurement basis is made on an acquisition-by-acquisition basis); plus
- if the business combination is achieved in stages, the acquisition-date fair value of the previously held equity interest in the acquiree; less
- the net fair value of the identifiable assets acquired and the liabilities (including contingent liabilities) assumed at the acquisition date.

The accounting policy for goodwill is set out in Note 3.7(a).

When the excess is negative, a bargain purchase gain is recognised immediately in profit or loss at the acquisition date.

Transaction costs, other than those associated with the issue of debt or equity securities, that the Group incurs in connection with a business combination are expensed as incurred.

If the business combination is achieved in stages, the Group remeasures the previously held equity interest in the acquiree to its acquisition-date fair value, and recognises the resulting gain or loss, if any, in profit or loss. Amounts arising from interests in the acquiree prior to the acquisition date that have previously been recognised in other comprehensive income are reclassified to profit or loss or transferred directly to retained earnings on the same basis as would be required if the acquirer had disposed directly of the previously held equity interest.

If the initial accounting for a business combination is incomplete by the end of the reporting period in which the business combination occurs, the Group uses provisional fair value amounts for the items for which the accounting is incomplete. The provisional amounts are adjusted to reflect new information obtained about facts and circumstances that existed as of the acquisition date, including additional assets or liabilities identified in the measurement period. The measurement period for completion of the initial accounting ends as soon as the Group receives the information it was seeking about facts and circumstances or learns that more information is not obtainable, subject to the measurement period not exceeding one year from the acquisition date.

Upon the loss of control of a subsidiary, the Group derecognises the assets and liabilities of the former subsidiary, any non-controlling interests and the other components of equity related to the former subsidiary from the consolidated statement of financial position. Any gain or loss arising on the loss of control is recognised in profit or loss. If the Group retains any interest in the former subsidiary, then such interest is measured at fair value at the date that control is lost. Subsequently, it is accounted for as an associate, a joint venture, or a financial asset.

Changes in the Group's ownership interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions. The difference between the Group's share of net assets before and after the change, and the fair value of the consideration received or paid, is recognised directly in equity.

NOTES TO THE FINANCIAL STATEMENTS (CONTD.)

3. SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTD.)

3.1 Basis of consolidation (Contd.)

(b) Non-controlling interests

Non-controlling interests represent the equity in subsidiaries not attributable, directly or indirectly, to owners of the Company and are presented separately in the consolidated statement of financial position within equity.

Losses attributable to the non-controlling interests are allocated to the non-controlling interests even if the losses exceed the non-controlling interests.

(c) Associates

Associates are entities over which the Group and the Company have significant influence, but not control, to the financial and operating policies.

Investment in associates are accounted for in the consolidated financial statements using the equity method.

Under the equity method, the investment in associates are initially recognised at cost. The cost of investment includes transaction costs. Subsequently, the carrying amount is adjusted to recognise changes in the Group's share of net assets of the associate.

When the Group's share of losses exceeds its interest in an associate, the carrying amount of that interest including any long-term investments is reduced to zero, and the recognition of further losses is discontinued except to the extent that the Group has an obligation or has made payments on behalf of the associate.

When the Group and the Company cease to have significant influence over an associate, any retained interest in the former associate at the date when significant influence is lost is measured at fair value and this amount is regarded as the initial carrying amount of a financial asset. Any difference between the carrying amount of the associate upon loss of significant influence and the fair value of the retained investment and proceeds from disposal is recognised in profit or loss.

When the Group's and the Company's interest in an associate decrease but does not result in a loss of significant influence, any retained interest is not remeasured. Any gain or loss arising from the decrease in interest is recognised in profit or loss. Any gains or losses previously recognised in other comprehensive income are also reclassified proportionately to the profit or loss if that gain or loss would be required to be reclassified to profit or loss on the disposal of the related assets or liabilities.

(d) Joint arrangements

Joint arrangements arise when the Group and another party or parties are bound by a contractual arrangement, and the contractual arrangement gives the Group and the other party or parties, joint control of the arrangement. Joint control exists when there is contractually agreed sharing of control of an arrangement whereby decisions about the relevant activities require the unanimous consent of the parties sharing control.

Joint arrangements are classified and accounted for as follows:

- A joint arrangement is classified as a "Joint operation" when the Group has rights to the assets and obligations for the liabilities relating to the arrangement. The Group accounts for its share of the assets (including its share of any assets held jointly), the liabilities (including its share of any liabilities incurred jointly), its revenue from the sale of its share of the output arising from the joint operation, its share of the revenue from the sale of the output by the joint operation and its expenses (including its share of any expenses incurred jointly).
- A joint arrangement is classified as "joint venture" when the Group has rights to the net assets of the arrangements. The Group accounts for its interest in the joint venture using the equity method in accordance with MFRS 128 *Investments in Associates and Joint Ventures*.

An arrangement established through an unincorporated legal entity which enables the parties to have rights to the asset and obligations for the associated liabilities would be considered a joint operation.

The Group has assessed the nature of its joint arrangement and determined them to be a joint venture and accounted for its interest in the joint venture using the equity method.

NOTES TO THE FINANCIAL STATEMENTS (CONTD.)

3. SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTD.)

3.1 Basis of consolidation (Contd.)

(e) Transactions eliminated on consolidation

Intra-group balances and transactions, and any unrealised income and expenses arising from intra-group transactions are eliminated in preparing the consolidated financial statements.

Unrealised gains arising from transactions with equity-accounted associates are eliminated against the investment to the extent of the Group's interest in the investee. Unrealised losses are eliminated in the same way as unrealised gains, but only to the extent that there is no evidence of impairment.

3.2 Separate financial statements

In the Company's statement of financial position, investment in subsidiaries and associates are measured at cost less any accumulated impairment losses, unless the investment is classified as held for sale or distribution. The cost of investment includes transaction costs. The policy for the recognition and measurement of impairment losses shall be applied on the same basis as would be required for impairment of non-financial assets as disclosed in Note 3.10(b).

Contributions to subsidiaries are amounts for which the settlement is neither planned nor likely to occur in the foreseeable future is, in substance, considered as part of the Company's investment in the subsidiaries.

3.3 Foreign currency transactions and operations

(a) Translation of foreign currency transactions

Foreign currency transactions are translated to the respective functional currencies of the Group entities at the exchange rates prevailing at the dates of the transactions.

At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the exchange rates prevailing at the reporting date.

Non-monetary items denominated in foreign currencies that are measured at fair value are retranslated at the rates prevailing at the dates the fair values were determined. Non-monetary items denominated in foreign currencies that are measured at historical cost are translated at the historical rates as at the dates of the initial transactions.

Foreign exchange differences arising on settlement or retranslation of monetary items are recognised in profit or loss except for monetary items that are designated as hedging instruments in either a cash flow hedge or a hedge of the Group's net investment of a foreign operation. When settlement of a monetary item receivable from or payable to a foreign operation is neither planned nor likely to occur in the foreseeable future, exchange differences are recognised in profit or loss in the separate financial statements of the parent company or the individual financial statements of the foreign operation. In the consolidated financial statements, the exchange differences are considered to form part of a net investment in a foreign operation and are recognised initially in other comprehensive income until its disposal, at which time, the cumulative amount is reclassified to profit or loss.

The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e. translation differences on items whose fair value gain or loss is recognised in other comprehensive income or profit or loss are also recognised in other comprehensive income or profit or loss, respectively).

(b) Translation of foreign operations

The assets and liabilities of foreign operations denominated in the functional currency different from the presentation currency, including goodwill and fair value adjustments arising on acquisition, are translated into the presentation currency at exchange rates prevailing at the reporting date. The income and expenses of foreign operations are translated at exchange rates at the dates of the transactions.

Exchange differences arising on the translation are recognised in other comprehensive income. However, if the foreign operation is a non-wholly owned subsidiary, then the relevant proportionate share of the translation difference is allocated to the non-controlling interests.

When a foreign operation is disposed of such that control, significant influence or joint control is lost, the cumulative amount in foreign exchange translation reserves related to that foreign operation is reclassified to profit or loss. For a partial disposal not involving loss of control of a subsidiary that includes a foreign operation, the proportionate share of cumulative amount in foreign exchange translation reserve is reattributed to non-controlling interests. For partial disposals of associates or joint ventures that do not result in the Group losing significant influence or joint control, the proportionate share of the cumulative amount in foreign exchange translation reserve is reclassified to profit or loss.

NOTES TO THE FINANCIAL STATEMENTS (CONTD.)

3. SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTD.)

3.4 Financial instruments

Financial instruments are recognised in the statements of financial position when, and only when, the Group and the Company become a party to the contract provisions of the financial instrument.

Except for the trade receivables that do not contain a significant financing component or for which the Group has applied the practical expedient, the financial instruments are recognised initially at its fair value plus or minus, in the case of a financial asset or financial liability not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition or issue of the financial asset and financial liability. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss. Trade receivables that do not contain a significant financing component or for which the Group has applied the practical expedient are measured at the transaction price determined under MFRS 15 *Revenue from Contracts with Customers*.

An embedded derivative is recognised separately from the host contract and accounted for as a derivative if, and only if, it is not closely related to the economic characteristics and risks of the host contract; it is a separate instrument with the same terms as the embedded derivative would meet the definition of a derivative; and the hybrid contract is not measured as fair value through profit or loss. The host contract, in the event an embedded derivative is recognised separately, is accounted for in accordance with the policy applicable to the nature of the host contract.

A derivative embedded within a hybrid contract containing a financial asset host is not accounted for separately. The financial asset host together with the embedded derivative is required to be classified in its entirety as a financial asset at fair value through profit or loss.

(a) Subsequent measurement

The Group and the Company categorises the financial instruments as follows:

(i) Financial assets

For the purposes of subsequent measurement, financial assets are classified in three categories:

- Financial assets at amortised cost;
- Financial assets designated at fair value through other comprehensive income with no recycling of cumulative gains and losses upon derecognition;
- Financial assets at fair value through profit or loss.

The classification depends on the entity's business model for managing the financial assets and the contractual cash flows characteristics of the financial assets.

The Group and the Company reclassify financial assets when and only when their business models for managing those assets change.

Debt instruments

Subsequent measurement of debt instruments depends on the Group's and the Company's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the Group and the Company classify their debt instruments:

• Amortised cost

Financial assets that are held for collection of contractual cash flows and those cash flows represent solely payments of principal and interest are measured at amortised cost. Financial assets at amortised cost are subsequently measured using the effective interest method and are subject to impairment. The policy for the recognition and measurement of impairment is in accordance with Note 3.10(a). Gains and losses are recognised in profit or loss when the financial asset is derecognised, modified or impaired.

• Fair value through profit or loss (FVPL)

Financial assets at FVPL include financial assets held for trading, financial assets designated upon initial recognition at fair value through profit or loss, or financial assets mandatorily required to be measured at fair value. Financial assets are classified as held for trading if they are acquired for the purpose of selling or repurchasing in the near term. Derivatives, including separated embedded derivatives, are also classified as held for trading unless they are designated as effective hedging instruments. Financial assets with cash flows that are not solely payments of principal and interest are classified and measured at fair value through profit or loss, irrespective of the business model. Notwithstanding the criteria for debt instruments to be classified at amortised cost or at FVOCI, as described above, debt instruments may be designated at fair value through profit or loss on initial recognition if doing so eliminates, or significantly reduces, an accounting mismatch.

Financial assets at fair value through profit or loss are carried in the statements of financial position at fair value with net changes in fair value recognised in the profit or loss.

The Group and the Company determine the classification of financial assets as disclosed in Note 33 (a).

NOTES TO THE FINANCIAL STATEMENTS (CONTD.)

3. SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTD.)

3.4 Financial instruments (Contd.)

(a) Subsequent measurement (Contd.)

(i) Financial assets (Contd.)

Equity instruments

The Group subsequently measures all equity investments at fair value. Upon initial recognition, the Group can make an irrevocable election to classify its equity investments that is not held for trading as equity instruments designated at FVOCI. The classification is determined on an instrument-by-instrument basis.

Gains and losses on these financial assets are not recycled to profit or loss. Dividends are recognised as other income in the profit or loss when the right of payment has been established, except when the Group benefits from such proceeds as a recovery of part of the cost of the financial asset, in which case, such gains are recorded in other comprehensive income. Equity instruments designated at FVOCI are not subject to impairment assessment.

(ii) Financial liabilities

The Group and the Company classify their financial liabilities at amortised cost.

Subsequent to initial recognition, other financial liabilities are measured at amortised cost using effective interest method. Gains and losses are recognised in profit or loss when the financial liabilities are derecognised and through the amortisation process.

(b) Financial guarantee contracts

A financial guarantee contract is a contract that requires the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payment when due in accordance with the original or modified terms of a debt instrument.

Financial guarantee contracts are recognised initially as a liability at fair value, net of transaction costs that are directly attributable to the issuance of the guarantee. Subsequent to initial recognition, the liability is measured at the higher of the amount of the loss allowance determined in accordance with Section 5.5 of MFRS 9 and the amount initially recognised, when appropriate, the cumulative amount of income recognised in accordance with the principles of MFRS 15.

(c) Regular way purchase or sale of financial assets

A regular way purchase or sale is a purchase or sale of a financial asset under a contract whose terms require delivery of the asset within the time frame established generally by regulation or convention in the marketplace concerned.

A regular way purchase or sale of financial assets shall be recognised and derecognised, as applicable, using trade date accounting (i.e. the date the Group and the Company commit themselves to purchase or sell an asset).

Trade date accounting refers to:

- (i) the recognition of an asset to be received and the liability to pay for it on the trade date; and
- (ii) derecognition of an asset that is sold, recognition of any gain or loss on disposal and the recognition of a receivable from the buyer for payment on the trade date.

Generally, interest does not start to accrue on the asset and corresponding liability until the settlement date when title passes.

NOTES TO THE FINANCIAL STATEMENTS (CONTD.)

3. SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTD.)

3.4 Financial instruments (Contd.)

(d) Derecognition

A financial asset or a part of it is derecognised when, and only when:

- (i) the contractual rights to receive cash flows from the financial asset expire, or
- (ii) the Group and the Company have transferred their rights to receive cash flows from the asset or have assumed an obligation to pay the received cash flows in full without material delay to a third party; and either (a) the Group and the Company have transferred substantially all the risks and rewards of the asset, or (b) the Group and the Company have neither transferred nor retained substantially all the risks and rewards of the asset, but have transferred control of the asset.

The Group and the Company evaluate if, and to what extent, they have retained the risks and rewards of ownership. When they have neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Group and the Company continue to recognise the transferred asset to the extent of their continuing involvement. In that case, the Group and the Company also recognise an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Group and the Company have retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Group and the Company could be required to repay.

On derecognition of a financial asset, the difference between the carrying amount (measured at the date of derecognition) and the consideration received (including any new asset obtained less any new liability assumed) is recognised in profit or loss.

A financial liability or a part of it is derecognised when, and only when, the obligation specified in the contract is discharged, cancelled or expired. On derecognition of a financial liability, the difference between the carrying amount and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss.

(e) Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is presented in the statements of financial position if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

In accounting for a transfer of a financial asset that does not qualify for derecognition, the entity shall not offset the transferred asset and the associated liability.

3.5 Property, plant and equipment

(a) Recognition and measurement

Property, plant and equipment (other than freehold land) are measured at cost less accumulated depreciation and any accumulated impairment losses. Freehold land is stated at cost less any impairment losses. The policy for the recognition and measurement of impairment losses is in accordance with Note 3.10(b).

Cost of assets includes expenditures that are directly attributable to the acquisition of the asset and any other costs that are directly attributable to bringing the asset to working condition for its intended use, and the costs of dismantling and removing the items and restoring the site on which they are located. The cost of self-constructed assets also includes cost of materials, direct labour, and any other direct attributable costs but excludes internal profits. For qualifying assets, borrowing costs are capitalised in accordance with the accounting policy on borrowing costs in Note 3.17.

Purchased software that is integral to the functionality of the related equipment is capitalised as part of that equipment.

When significant parts of an item of property, plant and equipment have different useful lives, they are accounted for as a separate item of property, plant and equipment.

NOTES TO THE FINANCIAL STATEMENTS (CONTD.)

3. SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTD.)

3.5 Property, plant and equipment (Contd.)

(b) Subsequent costs

The cost of replacing a part of an item of property, plant and equipment is included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that the future economic benefits associated with the part will flow to the Group or the Company and its cost can be measured reliably. The carrying amount of the replaced part is derecognised. All other repairs and maintenance are charged to profit or loss as incurred.

(c) Depreciation

Freehold land has an unlimited useful life and therefore is not depreciated. Assets under construction included in property, plant and equipment are not depreciated as these assets are not yet available for intended use.

All other property, plant and equipment are depreciated on the straight-line basis by allocating their depreciable amounts over their remaining useful lives. The principal depreciation rates are as follows:

	Rate
Freehold properties	2%
Leasehold properties	Over the lease period
Leasehold improvement	5% to 20%
Operating equipment	5% to 33 1/3%
Returnable shipping containers	10%
Furniture, fittings and renovation	10% to 20%
Motor vehicles	20%
Office equipment	10% to 33 1/3%
Solar plant	5%

The residual values, useful lives and depreciation methods are reviewed at the end of each reporting period and adjusted as appropriate.

(d) Derecognition

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset is recognised in profit or loss.

3.6 Leases

(a) Definition of lease

At inception of a contract, the Group and the Company assess whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Group and the Company assess whether:

- the contract involves the use of an identified asset;
- the Group and the Company have the right to obtain substantially all of the economic benefits from use of the asset throughout the period of use; and
- the Group and the Company have the right to direct the use of the asset.

NOTES TO THE FINANCIAL STATEMENTS (CONTD.)

3. SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTD.)

3.6 Leases (Contd.)

(b) Lessee accounting

At the lease commencement date, the Group and the Company recognise right-of-use assets and lease liabilities with respect to all lease agreements in which it is the lessee, except for short-term leases (defined as leases with a lease term of 12 months or less) and leases of low value assets.

The Group and the Company present right-of-use assets in Note 6 and lease liabilities in Note 24.

The Group and the Company present right-of-use assets and lease liabilities as separate lines in the statements of financial position.

Right-of-use assets

The right-of-use asset is initially recognised at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The right-of-use asset is subsequently measured at cost less accumulated depreciation and any accumulated impairment losses, and adjust for any remeasurement of the lease liabilities. The right-of-use asset is depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. If expects to exercise a purchase option, the right-of-use asset is depreciated over the useful life of the underlying asset. The depreciation starts from the commencement date of the underlying asset. The policy for the recognition and measurement of impairment losses is in accordance with Note 3.10(b).

Lease liabilities

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted by using the rate implicit in the lease. If this rate cannot be readily determined, the Group and the Company use their incremental borrowing rate.

Lease payments included in the measurement of the lease liabilities comprise:

- fixed lease payments (including in-substance fixed payments), less any lease incentives; and
- the exercise price of a purchase option, if the lessee is reasonably certain to exercise that option; and

The lease liability is subsequently measured by increasing the carrying amount to reflect interest on the lease liability and by reducing the carrying amount to reflect the lease payments made.

The Group and the Company remeasure the lease liability (and makes a corresponding adjustment to the related right-of-use asset) whenever:

- the lease term has changed or there is a change in the assessment of exercise of a purchase option, in which case the lease liabilities are remeasured by discounting the revised lease payments using a revised discount rate;
- the lease payments change due to changes in an index or rate or a change in expected payment under a guaranteed residual value, in which cases the lease liabilities are remeasured by discounting the revised lease payments using the initial discount rate (unless the lease payments change is due to a change in a floating interest rate, in which case a revised discount rate is used);
- a lease contract is modified and the lease modification is not accounted for as a separate lease, in which case the lease liability is remeasured by discounting the revised lease payments using a revised discount rate.

Variable lease payments that do not depend on an index or a rate are not included in the measurement the lease liability and the right-of-use asset. The related payments are recognised as an expense in the period in which the event or condition that triggers those payments occurs and are included in the line "other expenses" in the statements of comprehensive income.

The Group and the Company have elected not to separate non-lease components and account for the lease and non-lease components as a single lease component.

NOTES TO THE FINANCIAL STATEMENTS (CONTD.)

3. SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTD.)

3.6 Leases (Contd.)

(b) Lessee accounting (Contd.)

Short-term leases and leases of low value assets

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

3.7 Goodwill and other intangible assets

(a) Goodwill

Goodwill arising from business combinations is initially measured at cost, being the excess of the aggregate of the consideration transferred and the amount recognised for non-controlling interests, and any previous interest held, over the net identifiable assets acquired and liabilities assumed. After initial recognition, goodwill is measured at cost less any accumulated impairment losses. The policy for the recognition and measurement of impairment losses is in accordance with Note 3.10(b).

In respect of equity-accounted associates and joint venture, goodwill is included in the carrying amount of the investment and is not tested for impairment individually. Instead, the entire carrying amount of the investment is tested for impairment as a single asset where there is objective evidence of impairment.

(b) Other intangible assets

Intangible assets, other than goodwill, that are acquired by the Group, which have finite useful lives, are measured at cost less any accumulated amortisation and any accumulated impairment losses. Amortisation is recognised in profit or loss on a straight-line basis over the useful lives of the intangible assets of the Group as follows:

	Useful lives
Customer base	7 years
Technical know-how	10 years
Customer contracts	1 to 18 years
Rodless Pump System	10 years

Amortisation methods and useful lives are reviewed at the end of each reporting period and adjusted, if appropriate.

(c) Software development costs

Software development cost are recognised in profit or loss as incurred.

An intangible asset arising from development is recognised when the following criteria are met:

- it is technically feasible to complete the intangible asset so that it will be available for use or sale;
- management intends to complete the intangible asset and use or sell it;
- there is an ability to use or sell the asset;
- it can be demonstrated how the intangible asset will generate future economic benefits;
- adequate resources to complete the development and to use or sell the intangible asset are available; and
- the expenditures attributable to the intangible asset during its development can be reliably measured.

NOTES TO THE FINANCIAL STATEMENTS (CONTD.)

3. SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTD.)

3.7 Goodwill and other intangible assets (Contd.)

(c) Software development costs (Contd.)

Other development costs that do not meet these criteria are recognised in profit or loss as incurred. Development costs previously recognised as an expense are not recognised as an intangible asset in a subsequent period.

Capitalised development costs are measured at cost less accumulated amortisation and accumulated impairment losses. The policy for the recognition and measurement of impairment losses is in accordance with Note 3.10(b).

Software development costs are amortised on straight-line basis based on its estimated useful lives. Amortisation charge is recognised in profit or loss upon commercialisation.

The useful lives and amortisation methods are reviewed at the end of each reporting period.

3.8 Inventories

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

Cost is determined on the weighted average cost method and comprise the purchase price and incidentals incurred in bringing the inventories to their present location and condition.

Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and the estimated costs necessary to make the sale.

3.9 Cash and cash equivalents

For the purpose of the statements of cash flows, cash and cash equivalents comprise cash on hand, bank balances and deposits with a maturity of three months or less, that are readily convertible to known amount of cash and which are subject to an insignificant risk of changes in value. Cash and cash equivalents are presented net of bank overdrafts.

3.10 Impairment of assets

(a) Impairment of financial assets and contract assets

Financial assets measured at amortised cost, financial assets measured at fair value through other comprehensive income, contract assets and financial guarantee contracts will be subject to the expected credit losses requirement in MFRS 9 which is related to the accounting for expected credit losses on the financial assets. Expected credit loss is the weighted average of credit losses with the respective risks of a default occurring as the weights.

The Group and the Company measure loss allowance at an amount equal to lifetime expected credit loss, except for the following, which are measured as 12-month expected credit losses:

- debt securities that are determined to have low credit risk at the reporting date; and
- other debt securities and bank balances for which credit risk (i.e. risk of default occurring over the expected life of the financial instrument) has not increased significantly since initial recognition.

For trade receivables, the Group applies the simplified approach permitted by MFRS 9 to measure the loss allowance at an amount equal to lifetime expected credit losses.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating expected credit loss, the Group and the Company consider reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Group's and the Company's historical experience and informed credit assessment and including forward-looking information.

The Group and the Company assume that the credit risk on a financial asset has increased significantly if it is more than 30 days past due.

NOTES TO THE FINANCIAL STATEMENTS (CONTD.)

3. SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTD.)

3.10 Impairment of assets (Contd.)

(a) Impairment of financial assets and contract assets (Contd.)

The Group and the Company consider a financial asset to be in default when:

- the borrower is unable to pay its credit obligations to the Group and the Company in full, without taking into account any credit enhancements held by the Group and the Company; or
- the contractual payment of the financial asset 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.

Lifetime expected credit losses are the expected credit losses that result from all possible default events over the expected life of a financial instrument.

12-month expected credit losses are the portion of lifetime expected credit losses that represent the expected credit losses that result from default events on a financial instrument that are possible within the 12 months after the reporting date.

The maximum period considered when estimating expected credit losses is the maximum contractual period over which the Group and the Company are exposed to credit risk.

Expected credit losses are a probability-weighted estimate of credit losses (i.e. the present value of all cash shortfalls) over the expected life of the financial instrument. A cash shortfall is the difference between the cash flows that are due to an entity in accordance with the contract and the cash flows that the entity expects to receive.

Expected credit losses are discounted at the effective interest rate of the financial assets.

At each reporting date, the Group and the Company assess whether financial assets carried at amortised cost are credit-impaired. A financial asset is credit-impaired when one or more events that have a detrimental impact on the estimated future cash flows of that financial asset have occurred. Evidence that a financial asset is credit-impaired include observable data about the following events:

- significant financial difficulty of the issuer or the borrower,
- a breach of contract, such as a default of past due event;
- the lender(s) of the borrower, for economic or contractual reasons relating to the borrower's financial difficulty, having granted to the borrower a concession(s) that the lender(s) would not otherwise consider;
- it is becoming probable that the borrower will enter bankruptcy or other financial reorganisation;
- the disappearance of an active market for that financial asset because of financial difficulties; or
- the purchase or origination of a financial asset at a deep discount that reflects the incurred credit losses.

The amount of expected credit losses (or reversal) shall be recognised in profit or loss, as an impairment gain or loss. For financial assets measured at FVOCI, the loss allowance shall be recognised in other comprehensive income and shall not reduce the carrying amount of the financial asset in the statements of financial position.

The gross carrying amount of a financial asset is written off (either partially or in full) to the extent that there is no realistic prospect of recovery. This is generally the case when the Group and the Company determine that the debtor does not have assets or source of income that could generate sufficient cash flows to repay the amounts subject to the write-off. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Group's and the Company's procedure for recovery of amounts due.

NOTES TO THE FINANCIAL STATEMENTS (CONTD.)

3. SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTD.)

3.10 Impairment of assets (Contd.)

(b) Impairment of non-financial assets

The carrying amounts of non-financial assets (except for inventories, contract assets and deferred tax assets) are reviewed at the end of each reporting period to determine whether there is any indication of impairment. If any such indication exists, the Group and the Company make an estimate of the asset's recoverable amount. For goodwill and intangible assets that have indefinite useful life and are not yet available for use, the recoverable amount is estimated at each reporting date.

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

The recoverable amount of an asset or a CGU is the higher of its fair value less costs of disposal and its value-in-use. In assessing value-in-use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or CGU. In determining the fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used.

Where the carrying amount of an asset exceeds its recoverable amount, the carrying amount of asset is reduced to its recoverable amount. Impairment losses recognised in respect of a CGU or groups of CGUs are allocated first to reduce the carrying amount of any goodwill allocated to those units or groups of units and then, to reduce the carrying amount of the other assets in the unit or groups of units on a pro-rata basis.

Impairment losses are recognised in profit or loss.

Impairment losses in respect of goodwill are not reversed. For other assets, an assessment is made at each reporting date as to whether there is any indication that previously recognised impairment losses may no longer exist or may have decreased. An impairment loss is reversed only if there has been a change in the estimates used to determine the assets recoverable amount since the last impairment loss was recognised. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised previously. Such reversal is recognised in profit or loss unless the asset is measured at revalued amount, in which case the reversal is treated as a revaluation increase.

3.11 Contract assets/(liabilities)

Contract asset is the right to consideration for goods or services transferred to the customers when that right is conditioned on something other than the passage of time (for example, the Company's future performance). The policy for the recognition and measurement of impairment losses is in accordance with Note 3.10(a).

Contract liability is the obligation to transfer goods or services to customers for which the Group has received the consideration or has billed the customers.

3.12 Share capital

(a) Ordinary shares

Ordinary shares are equity instruments. An equity instrument is a contract that evidences a residual interest in the assets of the Company after deducting all of its liabilities. Ordinary shares are recorded at the proceeds received, net of directly attributable incremental transaction costs. Dividends on ordinary shares are recognised in equity in the period in which they are declared.

(b) Sukuk Musharakah ("Perpetual Sukuk")

Perpetual sukuk is classified as equity instruments as there is no contractual obligation to redeem the instrument. Cost directly attributable to the issuance of the instrument, net of tax, are treated as a deduction from the proceeds.

Perpetual sukuk holders' entitlement is accounted for as a distribution recognised in the statement of changes in equity in the period in which it is declared.

NOTES TO THE FINANCIAL STATEMENTS (CONTD.)

3. SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTD.)

3.13 Employee benefits

(a) Short-term employee benefits

Short-term employee benefit obligations in respect of wages, salaries, social security contributions, annual bonuses, paid annual leave, sick leave and non-monetary benefits are recognised as an expense in the financial year where the employees have rendered their services to the Group and the Company.

(b) Defined contribution plan

As required by law, the Group and the Company contribute to the Employees Provident Fund ("EPF"), the national defined contribution plan. Such contributions are recognised as an expense in the profit or loss in the period in which the employees render their services.

(c) Defined benefit plans

Certain subsidiaries of the Company operate an unfunded defined benefit scheme. Each subsidiary's net obligation in respect of defined benefit plans is calculated separately for each plan by estimating the amount of future benefit that employees would have earned in return for their service in the current and prior financial years, that benefit is discounted to determine the present value and the fair value of any plan assets is deducted. The discount rate is the market yield at the reporting date on high quality corporate bonds or government bonds.

The calculation is performed by an actuary using the projected unit credit method. In the intervening years, the calculation may be updated by the actuary based on approximations unless material changes in demographics or business processes have been identified that would cause doubt in the application of approximations, in which case detailed analysis would be necessary at the interim date.

Remeasurement of the net defined benefit liability, which comprise actuarial gains and losses, the return of plan assets (excluding amounts included in net interest on the net defined benefit liability) and the effect of the asset ceiling (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in other comprehensive income. Remeasurements are not reclassified to profit or loss in subsequent periods.

The net interest is calculated by applying the discount to the net balance of the defined benefit obligation and fair value of plan assets, if any.

The Group recognises the following costs in profit or loss:

- Service costs comprising current service costs, past service costs, gains and losses on curtailments and non-routine settlements
- Net interest expense

3.14 Provisions

Provisions are recognised when the Group and the Company have a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of economic resources will be required to settle the obligation and the amount of the obligation can be estimated reliably.

If the effect of the time value of money is material, provisions that are determined based on the expected future cash flows to settle the obligation are discounted using a current pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. When discounting is used, the increase in the provisions due to passage of time is recognised as finance costs.

Provisions are reviewed at each reporting date and adjusted to reflect the current best estimate. If it is no longer probable that an outflow of economic resources will be required to settle the obligation, the provision is reversed.

NOTES TO THE FINANCIAL STATEMENTS (CONTD.)

3. SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTD.)

3.15 Revenue and other income

The Group and the Company recognise revenue that depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the Group and the Company expect to be entitled in exchange for those goods or services.

Revenue recognition of the Group and the Company are applied for each contract with a customer or a combination of contracts with the same customer (or related parties of the customer).

The Group and the Company measure revenue from sale of good or service at its transaction price, being the amount of consideration to which the Group and the Company expect to be entitled in exchange for transferring promised good or service to a customer, excluding amounts collected on behalf of third parties such as goods and service tax, adjusted for the effects of any variable consideration, constraining estimates of variable consideration, significant financing components, non-cash consideration and consideration payable to customer. If the transaction price includes variable consideration, the Group and the Company use the expected value method by estimating the sum of probability-weighted amounts in a range or possible consideration amounts, or the most likely outcome method, depending on which method the Group and the Company expect to better predict the amount of consideration to which it is entitled.

For contract with separate performance obligations, the transaction price is allocated to the separate performance obligations on the relative stand-alone selling price basis. If the stand-alone selling price is not directly observable, the Group and the Company estimate it by using the costs plus margin approach.

Revenue from contracts with customers is recognised by reference to each distinct performance obligation in the contract with customer, i.e. when or as a performance obligation in the contract with customer is satisfied. A performance obligation is satisfied when or as the customer obtains control of the good or service underlying the particular performance obligation, which the performance obligation may be satisfied at a point in time or over time.

A contract modification is a change in the scope or price (or both) of a contract that is approved by the parties to the contract. A modification exists when the change either creates new or changes existing enforceable rights and obligations of the parties to the contract. The Group and the Company have assessed the type of modification and accounted for as either creates a separate new contract, terminates the existing contract and creation of a new contract; or forms a part of the existing contracts.

(a) Sales of goods

Revenue is recognised over time upon services rendered and customer's acceptance.

(b) Rendering of services

Revenue is recognised over time upon services rendered and customer's acceptance.

(c) Interest income

Interest income is recognised using the effective interest method.

(d) Dividend income

Dividend income is recognised when the right to receive payment is established.

(e) Rental income

Rental income is recognised on a straight-line basis over the term of the lease.

(f) Management fees income

Revenue is recognised over time when services are rendered.

NOTES TO THE FINANCIAL STATEMENTS (CONTD.)

3. SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTD.)

3.16 Government grants

Government grants are recognised when there is reasonable assurance that the grant will be received and all attached conditions will be complied with.

Where the grant relates to an asset, it is recognised as deferred income in the statements of financial position and transferred to profit or loss over the expected useful life of the related asset. Where the grant relates to an expense item, it is recognised in profit or loss, under the heading of "other income", on systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed.

The benefit derived from a government loan at a below-market rate of interest is treated as a government grant, measured as the difference between proceeds received and the fair value of the loan based on prevailing market interest rates.

3.17 Borrowing costs

Borrowing costs are interests and other costs that the Group and the Company incur in connection with borrowing of funds.

Borrowing costs that are not directly attributable to the acquisition, construction or production of a qualifying asset are recognised in profit or loss using the effective interest method.

Borrowing costs that are directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are capitalised as part of the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

The Group and the Company begin capitalising borrowing costs when the Group and the Company have incurred the expenditures for the asset, incurred related borrowing costs and undertaken activities that are necessary to prepare the asset for its intended use or sale.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

3.18 Income tax

Income tax expense in profit or loss comprises current and deferred tax. Current and deferred tax are recognised in profit or loss except to the extent that it relates to a business combination or items recognised directly in equity or other comprehensive income.

(a) Current tax

Current tax is the expected taxes payable or recoverable on the taxable income or loss for the financial year, using the tax rates that have been enacted or substantively enacted by the end of the reporting period, and any adjustment to tax payable in respect of previous financial years.

(b) Deferred tax

Deferred tax is recognised using the liability method on temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts in the statements of financial position. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences, unutilised tax losses and unused tax credits, to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences, unused tax losses and unused tax credits can be utilised.

Deferred tax is not recognised if the temporary differences arise from the initial recognition of assets and liabilities in a transaction which is not a business combination and that affects neither the taxable profit nor the accounting profit. In addition, deferred tax liabilities are not recognised if the temporary difference arises from the initial recognition of goodwill.

Deferred tax liabilities are recognised for taxable temporary differences associated with investments in a subsidiary, except where the Group is able to control the reversal timing of the temporary differences and it is probable that the temporary differences will not reverse in the foreseeable future. Deferred tax assets arising from deductible temporary differences associated with such investments and interests are only recognised to the extent that it is probable that there will be sufficient taxable profits against which to utilise the benefits of the temporary differences and they are expected to reverse in the foreseeable future.

NOTES TO THE FINANCIAL STATEMENTS (CONTD.)

3. SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTD.)

3.18 Income tax (Contd.)

(b) Deferred tax (Contd.)

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow the benefit of part or all of that deferred tax asset to be utilised. Unrecognised deferred tax assets are reassessed at each reporting date and are recognised to the extent that it has become probable that future taxable profit will allow the deferred tax assets to be utilised.

Deferred tax is measured at the tax rates that are expected to apply in the period when the asset is realised or the liability is settled, based on tax rates and tax laws that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss. Deferred tax items are recognised in correlation to the underlying transaction either in other comprehensive income or directly in equity.

Deferred tax assets and deferred tax liabilities are offset if there is legally enforceable right to offset current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority on the same taxable entity, or on different tax entities, but they intend to settle their income tax recoverable and income tax payable on a net basis or their tax assets and liabilities will be realised simultaneously.

(c) Sales and services tax

Revenue, expenses and assets are recognised net of the amount of sales and services tax except:

- where the sales and services tax incurred in a purchase of assets or services is not recoverable from the taxation authority, in which case the sales and services tax is recognised as part of the cost of acquisition of the asset or as part of the expense item as applicable; and
- receivables and payables that are stated with the amount of sales tax included.

The net amount of sales and services tax recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the statements of financial position.

3.19 Earnings per share

The Group presents basic and diluted earnings per share ("EPS") data for its ordinary shares. Basic EPS is calculated by dividing the profit or loss attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding during the period, adjusted for own shares held.

Diluted EPS is determined by adjusting the profit or loss attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding, adjusted for own shares held, for the effects of all dilutive potential ordinary shares.

3.20 Operating segments

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker. The Chief Executive Officer of the Group, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the chief operating decision maker that makes strategic decisions.

NOTES TO THE FINANCIAL STATEMENTS (CONTD.)

3. SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTD.)

3.21 Fair value measurement

Fair value of an asset or a liability, except for share-based payment and lease transactions, is determined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The measurement assumes that the transaction to sell the asset or transfer the liability takes place either in the principal market or in the absence of a principal market, in the most advantageous market.

For a non-financial asset, the fair value measurement takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

When measuring the fair value of an asset or a liability, the Group and the Company use observable market data as far as possible. Fair value is categorised into different levels in a fair value hierarchy based on the input used in the valuation technique as follows:

Level 1	:	Quoted prices (unadjusted) in active markets for identical assets or liabilities that the Group and the Company can access at the measurement date.
Level 2	:	Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.
Level 3	:	Unobservable inputs for the asset or liability.

The Group and the Company recognise transfers between levels of the fair value hierarchy as of the date of the event or change in circumstances that caused the transfers.

3.22 Contingencies

A contingent liability or asset is a possible obligation or asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of uncertain future event(s) not wholly within the control of the Group and of the Company.

Contingent liability is also referred as a present obligation that arises from past events but is not recognised because:

- (i) it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation; or
- (ii) the amount of the obligation cannot be measured with sufficient reliability.

Contingent liabilities and assets are not recognised in the statements of financial position.

4. SIGNIFICANT ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS

The preparation of financial statements in conformity with MFRSs requires the use of certain critical accounting estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of the revenue and expenses during the reporting period. It also requires directors to exercise their judgement in the process of applying the Group's and the Company's accounting policies. Although these estimates and judgement are based on the directors' best knowledge of current events and actions, actual results may differ.

The areas involving a higher degree of judgement or complexity that have the most significant effect on the Group's and the Company's financial statements, or areas where assumptions and estimates that have a significant risk of resulting in a material adjustment to the Group's and the Company's financial statements within the next financial year are disclosed as follows:

(a) Impairment of goodwill and other intangible assets

Goodwill is tested for impairment annually and at other times when such indicators exist. This requires an estimation of the value-in-use of the cash generating units to which goodwill is allocated. When value-in-use calculations are undertaken, the directors use their judgement to decide the discount rates to be applied in the recoverable amount calculation and assumptions supporting the underlying cash flow projections, including forecast growth rates and gross profit margins. Cash flows that are projected based on those inputs or assumptions may have a significant effect on the Group's financial position and results if the actual cash flows are less than that expected.

The carrying amount of the Group's goodwill and other intangible assets and key assumptions used to determine the recoverable amount for different cash-generating units, including sensitivity analysis, are disclosed in Note 7.

NOTES TO THE FINANCIAL STATEMENTS (CONTD.)

4. SIGNIFICANT ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS (CONTD.)

(b) Impairment of trade receivables and contract assets

The impairment provisions for trade receivables and contract assets are based on assumptions about risk of default and expected loss rate. The Group uses judgement in making these assumptions and selecting inputs to the impairment calculation, based on the Group's past history, existing market conditions as well as forward looking estimates at the end of each reporting period.

The Group uses a provision matrix to calculate expected credit losses for trade receivables and contract assets. The provision rates are dependent on the number of days that a trade receivable is past due.

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

The assessment of the correlation between historical observed default rates, forward-looking estimates and expected credit losses is a significant estimate. The amount of expected credit losses is sensitive to changes in circumstances and forecast of economic conditions over the expected lives of the financial assets. The Group's historical credit loss experience and forecast of economic conditions may also not be representative of customer's actual default in the future.

The information about the impairment losses on the Group's trade receivables and contract assets are disclosed in Note 34(a).

(c) Impairment of investment in subsidiaries

The Company assesses impairment of investment in subsidiaries whenever the events or changes in circumstances indicate that the carrying amounts of investment in subsidiaries may not be recoverable i.e. the carrying amounts of investment in subsidiaries are more than the recoverable amount.

Recoverable amount is measured at the higher of the fair value less cost of disposal for that asset and its value-in-use. The value-in-use is the net present value of the projected future cash flows derived from that asset discounted at an appropriate discount rate. The Company uses its judgement to decide the discount rates applied in the recoverable amount calculation and assumptions supporting the underlying cash flow projections, including future sales, profit margins and operating expenses. Cash flows that are projected based on those inputs or assumptions may have a significant effect on the Company's financial positions and results if the actual cash flows are less than expected.

The carrying amounts of the investment in subsidiaries are disclosed in Note 8.

(d) Impairment of amounts owing by subsidiaries

The Company performs impairment review on the amounts owing by subsidiaries whenever the events or changes in circumstances indicate that the amounts by subsidiaries may not be recoverable in accordance with its accounting policy.

Significant judgement is required over assumptions about risk of default and expected loss rate. In making the assumptions, the Company selected inputs to the impairment calculation, based on the Company's past history, existing market conditions as well as forward looking estimates at the end of the reporting period.

The carrying amounts of amounts owing by subsidiaries are disclosed in Note 12.

(e) Impairment of property, plant and equipment

Impairment test has been carried out based on variety of estimations, including value-in-use of the CGU of which the specific property, plant and equipment is allocated or fair value less costs of disposal. Estimating the value-in-use requires the Group to make an estimate of the expected future cash flows and also to determine the appropriate discount rate to calculate the present value of those cash flows.

The future cash flows are subject to change as new information become available and the changes may eventually affect the statement of profit or loss through impairment charges or reversal of impairment.

In establishing the recoverable amount that is based on fair value less costs of disposal, the Group engaged independent external valuers to assess the fair value of the property, plant and equipment, adjusted for the condition of the specific assets. Further details are disclosed in Note 5.

NOTES TO THE FINANCIAL STATEMENTS (CONTD.)

5. PROPERTY, PLANT AND EQUIPMENT

Group	Note	Freehold properties RM'000	Leasehold properties RM'000	Leasehold improvement RM'000	Operating equipment RM'000	Returnable shipping containers RM'000	Furniture, fittings and renovation RM'000	Motor vehicles RM'000	Office equipment RM'000	Solar plant RM'000	Capital work-in progress RM'000	Total RM'000
2024												
Cost												
At 1 July 2023		14,552	24,000	697	692,666	659	13,070	9,152	20,866	2,740	75,166	853,568
Additions		-	-	87	45,290	-	400	236	993	-	259,213	306,219
Disposals		-	-	-	(586)	-	-	(590)	-	-	(6,950)	(8,126)
Disposal of a subsidiary		-	-	-	-	-	-	-	-	-	(913)	(913)
Reclassifications		-	-	-	8,411	-	117	-	445	-	(8,973)	-
Exchange differences		-	-	(18)	(1,831)	-	(8)	(130)	(30)	-	-	(2,017)
At 30 June 2024		14,552	24,000	766	743,950	659	13,579	8,668	22,274	2,740	317,543	1,148,731
Accumulated depreciation												
At 1 July 2023		1,372	4,137	459	250,764	597	11,595	8,644	18,053	616	-	296,237
Depreciation charge for the financial year	30	227	480	36	41,010	62	362	179	1,333	138	-	43,827
Disposals		-	-	-	(459)	-	-	(590)	-	-	-	(1,049)
Exchange differences		-	-	(16)	(1,448)	-	(8)	(128)	(26)	-	-	(1,626)
At 30 June 2024		1,599	4,617	479	289,538	659	11,949	8,105	19,360	754	-	337,389
Accumulated impairment loss												
At 1 July 2023		772	-	-	15,619	-	-	-	-	-	-	16,391
Exchange differences	30	-	-	-	(213)	-	-	-	-	-	-	(213)
At 30 June 2024		772	-	-	15,406	-	-	-	-	-	-	16,178
Carrying amount												
At 30 June 2024		12,181	19,383	287	438,677	-	1,630	563	2,914	1,986	317,543	795,164

NOTES TO THE FINANCIAL STATEMENTS (CONTD.)

5. PROPERTY, PLANT AND EQUIPMENT (CONT'D)

Group	Note	Freehold properties RM'000	Leasehold properties RM'000	Leasehold improvement RM'000	Operating equipment RM'000	Returnable shipping containers RM'000	Furniture, fittings and renovation RM'000	Motor vehicles RM'000	Office equipment RM'000	Solar plant RM'000	Capital work-in progress RM'000	Total RM'000
2023												
Cost												
At 1 July 2022		14,552	24,000	645	657,113	963	12,873	8,741	20,239	2,740	20,393	762,259
Additions		-	-	-	18,974	-	62	-	326	-	61,617	80,979
Disposals		-	-	-	-	(304)	-	-	-	-	-	(304)
Written off		-	-	-	-	-	-	-	(187)	-	-	(187)
Reclassifications		-	-	-	6,428	-	48	-	368	-	(6,844)	-
Exchange differences		-	-	52	10,151	-	87	411	120	-	-	10,821
At 30 June 2023		14,552	24,000	697	692,666	659	13,070	9,152	20,866	2,740	75,166	853,568
Accumulated depreciation												
At 1 July 2022		1,147	3,657	390	207,041	793	11,152	8,099	17,030	479	-	249,788
Depreciation charge for the financial year	30	225	480	37	41,372	79	360	141	1,104	137	-	43,935
Disposals		-	-	-	-	-	-	-	(187)	-	-	(187)
Written off		-	-	-	-	(275)	-	-	-	-	-	(275)
Exchange differences		-	-	32	2,351	-	83	404	106	-	-	2,976
At 30 June 2023		1,372	4,137	459	250,764	597	11,595	8,644	18,053	616	-	296,237
Accumulated impairment loss												
At 1 July 2022		772	-	-	14,935	-	-	-	-	-	-	15,707
Exchange differences		-	-	-	684	-	-	-	-	-	-	684
At 30 June 2023		772	-	-	15,619	-	-	-	-	-	-	16,391
Carrying amount												
At 30 June 2023		12,408	19,863	238	426,283	62	1,475	508	2,813	2,124	75,166	540,940

NOTES TO THE FINANCIAL STATEMENTS (CONTD.)

5. PROPERTY, PLANT AND EQUIPMENT (CONTD.)

Company	Note	Renovation RM'000	Office equipment RM'000	Operating Equipment RM'000	Total RM'000
Cost					
At 1 July 2022		-	2,124	21	2,145
Additions		-	12	-	12
At 30 June 2023		-	2,136	21	2,157
Additions		12	195	-	207
At 30 June 2024		12	2,331	21	2,364
Accumulated depreciation					
At 1 July 2022		-	1,280	12	1,292
Depreciation charge for the financial year	30	-	421	4	425
At 30 June 2023		-	1,701	16	1,717
Depreciation charge for the financial year	30	-	416	4	420
At 30 June 2024		-	2,117	20	2,137
Carrying amount					
At 30 June 2023		-	435	5	440
At 30 June 2024		12	214	1	227

(a) Assets pledged as security

The carrying amount of property, plant and equipment of the Group pledged to the licensed banks for credit facilities granted to subsidiaries are as follows (Note 23):

	Group	
	2024 RM'000	2023 RM'000
Freehold properties	11,181	11,406
Leasehold properties	19,383	19,863
Operating equipment	228,886	242,517
Capital work-in-progress	304,413	19,908
	259,450	293,694

NOTES TO THE FINANCIAL STATEMENTS (CONTD.)

5. PROPERTY, PLANT AND EQUIPMENT (CONTD.)

(b) Included in the additions of capital work-in-progress of the Group during the financial year are as follows:

	Group	
	2024 RM'000	2023 RM'000
Salaries and related costs		
-directors (Note 30)	1,952	594
- staff (Note 30)	696	767
	2,648	1,361

6. RIGHT-OF-USE ASSETS

The Group and the Company lease several assets including leasehold land, operating equipment, motor vehicles, office equipment, offices and warehouses and yards and premises.

NOTES TO THE FINANCIAL STATEMENTS (CONTD.)

6. RIGHT-OF-USE ASSETS (CONTD.)

Information about leases for which the Group and the Company is lessee is presented below:

Group	Note	Leasehold land RM'000	Operating equipment RM'000	Motor vehicles RM'000	Office equipment RM'000	Offices and warehouses RM'000	Yards and premises RM'000	Total RM'000
Cost								
At 1 July 2023		13,186	10,262	2,866	342	7,766	7,462	41,884
Additions		381	-	-	-	645	2,409	3,435
Modification		-	-	-	-	231	-	231
Derecognition*		-	-	(400)	-	(1,766)	(74)	(2,240)
Exchange differences		-	-	-	-	25	(58)	(33)
At 30 June 2024		13,567	10,262	2,466	342	6,901	9,739	43,277
Accumulated depreciation								
At 1 July 2023		1,202	4,444	2,654	261	4,003	3,865	16,429
Depreciation for the financial year	30	528	782	173	68	2,255	2,066	5,872
Derecognition*		-	-	(400)	-	(1,766)	(24)	(2,190)
Exchange differences		-	-	-	-	10	(34)	(24)
At 30 June 2024		1,730	5,226	2,427	329	4,502	5,873	20,087
Carrying amount								
At 30 June 2024		11,837	5,036	39	13	2,399	3,866	23,190

NOTES TO THE FINANCIAL STATEMENTS (CONTD.)

6. RIGHT-OF-USE ASSETS (CONTD.)

Information about leases for which the Group and the Company is lessee is presented below: (Contd.)

Group	Note	Leasehold land RM'000	Operating equipment RM'000	Motor vehicles RM'000	Office equipment RM'000	Offices and warehouses RM'000	Yards and premises RM'000	Total RM'000
Cost								
At 1 July 2022		13,186	10,262	2,866	342	5,862	3,517	36,035
Additions		-	-	-	-	1,979	4,788	6,767
Modification		-	-	-	-	(49)	-	(49)
Derecognition*		-	-	-	-	(133)	(963)	(1,096)
Exchange differences		-	-	-	-	107	120	227
At 30 June 2023		13,186	10,262	2,866	342	7,766	7,462	41,884
Accumulated depreciation								
At 1 July 2022		782	3,994	2,147	193	2,601	2,476	12,193
Depreciation for the financial year	30	420	450	507	68	1,502	2,264	5,211
Derecognition*		-	-	-	-	(133)	(963)	(1,096)
Exchange differences		-	-	-	-	33	88	121
At 30 June 2023		1,202	4,444	2,654	261	4,003	3,865	16,429
Carrying amount								
At 30 June 2023		11,984	5,818	212	81	3,763	3,597	25,455

* Derecognition of the right-of-use assets was a result of expiration and termination of certain leases during the financial year.

NOTES TO THE FINANCIAL STATEMENTS (CONTD.)

6. RIGHT-OF-USE ASSETS (CONTD.)

Company	Note	Office equipment RM'000
Cost		
At 1 July 2022/30 June 2023/30 June 2024		342
Accumulated depreciation		
At 1 July 2022		194
Depreciation for the financial year	30	68
At 30 June 2023		262
Depreciation for the financial year	30	69
At 30 June 2024		331
Carrying amount		
At 30 June 2023		80
At 30 June 2024		11

- (a) The Group mainly leases offices and warehouses and yards and premises. The leases for offices and warehouses and yards and premises have lease terms between 2 to 22 years (2023: 2 to 23 years).
- (b) The Group and the Company also lease motor vehicles, operating equipment and office equipment with lease terms of 2 to 7 years (2023: 2 to 8 years) and have options to purchase the assets at the end of the contract term.
- (c) The remaining useful lives of leasehold land are ranging from 23 to 51 years (2023: 23 to 52 years).

NOTES TO THE FINANCIAL STATEMENTS (CONTD.)

7. INTANGIBLE ASSETS

Group	Note	Goodwill RM'000	Other intangible assets RM'000	Software development costs RM'000	Total RM'000
Cost					
At 1 July 2022		181,898	49,365	442	231,705
Addition		-	-	410	410
Exchange differences		4,186	1,537	-	5,723
At 30 June 2023		186,084	50,902	852	237,838
Addition		-	-	845	845
Exchange differences		840	325	-	1,165
At 30 June 2024		186,924	51,227	1,697	239,848
Accumulated amortisation					
At 1 July 2022		-	22,696	-	22,696
Amortisation charge for the financial year	30	-	4,098	-	4,098
Exchange differences		-	836	-	836
At 30 June 2023		-	27,630	-	27,630
Amortisation charge for the financial year	30	-	4,058	295	4,353
Exchange differences		-	214	-	214
At 30 June 2024		-	31,902	295	32,197
Accumulated impairment loss					
At 1 July 2022/30 June 2023/ 30 June 2024		-	4,110	-	4,110
Carrying amount					
At 30 June 2023		186,084	19,162	852	206,098
At 30 June 2024		186,924	15,215	1,402	203,541

NOTES TO THE FINANCIAL STATEMENTS (CONTD.)

7. INTANGIBLE ASSETS (CONTD.)

(a) Goodwill

The carrying amounts of goodwill allocated to the CGUs are as follows:

	Group	
	2024 RM'000	2023 RM'000
Services - CGU 1	176,651	175,811
Trading - CGU 2	10,273	10,273
	<u>186,924</u>	<u>186,084</u>

CGU 1

Based on the sensitivity analysis performed, the directors believe that there is no reasonably possible change in key assumptions that would cause the carrying values of the CGU to exceed its recoverable amounts. The estimated recoverable amount of the CGU 1 exceeds the carrying amount of the CGU 1. As a result of the analysis, the directors did not identify an impairment for this CGU.

CGU 2

Based on the sensitivity analysis performed, the directors believe that there is no reasonably possible change in key assumptions that would cause the carrying values of the CGU to exceed its recoverable amounts. The estimated recoverable amount of the CGU 2 exceeds the carrying amount of the CGU 2. As a result of the analysis, the directors did not identify an impairment for this CGU.

For each of the CGUs with significant amount of goodwill, the value-in-use calculation is most sensitive to the following key assumptions:

	Group	
	2024 RM'000	2023 RM'000
CGU 1		
Average profit margin	38%	37%
Average revenue growth rate	9%	15%
Pre-tax discount rate	6.50% - 7.99%	8.7%
CGU 2		
Average profit margin	23%	23%
Average revenue growth rate	19%	17%
Pre-tax discount rate	7.99%	8.7%

NOTES TO THE FINANCIAL STATEMENTS (CONTD.)

7. INTANGIBLE ASSETS (CONTD.)

(a) Goodwill (Contd.)

These key assumptions have been used for the analysis of each CGU within the operating segments. The values assigned to the key assumptions represent management's assessment of future trends in the respective industry and are based on both external sources and internal sources (historical data).

Average profit margin is based on past performance and the management's expectation of market development.

Average revenue growth rate is based on the expected projection of the respective operating segments.

Discount rate is estimated based on the industry weighted average cost of capital. The discount rate applied to the cash flow projections is pre-tax and reflects management's estimate of the risks specific to the CGU at the date of assessment.

(b) Other intangible assets

Other intangible assets represent customer base and technical know-how arising from acquisition of Premier Enterprise Corporation (M) Sdn. Bhd. ("PEC") and PT Uzma Development Services ("PTUDS") respectively. Subsequent to the acquisition, PEC has transferred its customer base to its fellow subsidiary, Malaysian Energy Chemical & Services Sdn. Bhd. ("MECAS").

Technical know-how is related to manuals, licenses, knowledge of its employees and experience in the industry.

Other intangible assets also represent customer contracts and Rodless Pump System ("RPS") arising from acquisition of Setegap Ventures Petroleum Sdn. Bhd. ("SVP") and Uzma Artificial Lift Sdn. Bhd. ("UAL") based on the valuations performed by professional valuers. During the previous financial year, there are customer contracts of RM864,117 arising from the acquisition of Mahendran Surya Innovations Sdn. Bhd. ("MSI") based on internal valuation.

An amortisation amounting to RM4,058,000 (2023: RM4,098,000) relating to the customer base, technical know-how, customer contracts and RPS are included in other operating expenses.

(c) Software development costs

Software development costs relate to development work carried out in developing a software solution specifically for early detection of illegal constructions in urban area and agriculture area. Costs that are clearly associated with an identifiable and unique product which will be controlled by the Group and has a probable benefit exceeding the cost beyond one year are recognised as software development expenditure. Costs include salaries and incidental costs specifically attributable to each project.

Included in development costs of the Group is an amount of RM1,367,288 (2023: RM850,739) representing software under development and yet to be commercialised. Amortisation charge is recognised in profit or loss upon commercialisation.

Included in the additions of development costs during the financial year is as follows:

	2024 RM'000	2023 RM'000
Salaries and related costs		
- staff (Note 30)	845	410

NOTES TO THE FINANCIAL STATEMENTS (CONTD.)

8. INVESTMENT IN SUBSIDIARIES

	Company	
	2024 RM'000	2023 RM'000
Unquoted shares, at cost		
At 1 July	232,334	232,334
Additions	1,270	-
Disposal	(6)	-
At 30 June	233,598	232,334
Less: Accumulated impairment losses	(1,415)	(1,415)
	232,183	230,919
Loans that are part of net investment	176,580	176,522
	408,763	407,441

Loans that are part of net investment represents amounts owing by subsidiaries which are non-trade in nature, unsecured and non-interest bearing. The settlement of the amount is neither planned nor likely to occur in the foreseeable future as it is the intention of the Company to treat these amounts as a long-term source of capital to the subsidiaries. As these amounts are, in substance, a part of the Company's net investment in the subsidiaries, they are stated at cost less accumulated impairment loss, if any.

The details of the subsidiaries are as follows:

Name of company	Principal place of business/ country of incorporation	Proportion equity interest		Principal activities
		2024 %	2023 %	
Direct subsidiaries:				
Uzma Engineering Sdn. Bhd.	Malaysia	100	100	Provision of geoscience and reservoir engineering, drilling, project and operational services and other specialised services within the oil and gas industry
Geospatial AI Sdn. Bhd.	Malaysia	100	100	Provision of product and services for satellite imagery
Malaysian Energy Chemical & Services Sdn. Bhd.	Malaysia	70	70	Manufacturing, marketing, distribution and supply of oilfield chemicals, petrochemical and chemical products, equipment and services
Tenggara Analisis Sdn. Bhd.	Malaysia	100	100	Investment holding
Uzma Energy Venture (Sarawak) Sdn. Bhd.	Malaysia	100	100	Dormant
Premier Enterprise Corporation (M) Sdn. Bhd.	Malaysia	95	95	Trading of hardware and equipment for oil refinery
Uzma Teluk Kalong Sdn. Bhd.	Malaysia	100	100	Dormant
Uzma Laboratory Sdn. Bhd.	Malaysia	100	100	Dormant

NOTES TO THE FINANCIAL STATEMENTS (CONTD.)

8. INVESTMENT IN SUBSIDIARIES (CONTD.)

Name of company	Principal place of business/ country of incorporation	Proportion equity interest		Principal activities
		2024 %	2023 %	
Direct subsidiaries:				
Uzma Resource Solutions Sdn. Bhd.	Malaysia	100	100	Investment holding
Uzma Environergy Sdn. Bhd.	Malaysia	100	100	Provision of renewable energy services
Uzma Integrasi Padu Berhad	Malaysia	100	100	Special purpose vehicle
Uzma Nexus Sdn. Bhd.#	Malaysia	-	60	Provision of renewable energy services
Uzma Well Services Sdn. Bhd.	Malaysia	100	100	Dormant
Uzma Production Enhancement Sdn. Bhd.	Malaysia	100	100	Dormant
Barat Tuah Sdn. Bhd.^	Malaysia	100	-	Provision of oil and gas extraction services
Selayang Tuah Sdn. Bhd.^	Malaysia	100	-	Provision of oil and gas extraction services
Uzma LNG Sdn. Bhd.	Malaysia	70	-	Trading of liquefied natural gas
Subsidiary of Geospatial AI Sdn. Bhd.				
Mapri Sdn. Bhd.	Malaysia	70	70	Provision of satellite services in oil and gas market, participating in aerospace business and manufacturing satellite
Subsidiary of Uzma Environergy Sdn. Bhd.				
Mahendran Surya Innovations Sdn. Bhd.	Malaysia	100	100	Provision of renewable energy service
Uzma Kuala Muda Sdn. Bhd.	Malaysia	100	100	Provision of renewable energy service
Uzma Solar Sdn. Bhd.	Malaysia	100	100	Dormant
Environergy Bakti Sdn. Bhd.	Malaysia	100	100	Dormant

NOTES TO THE FINANCIAL STATEMENTS (CONTD.)

8. INVESTMENT IN SUBSIDIARIES (CONTD.)

Name of company	Principal place of business/ country of incorporation	Proportion equity interest		Principal activities
		2024 %	2023 %	
Subsidiaries of Uzma Engineering Sdn. Bhd.				
PT Uzma	Indonesia	95	95	Investment holding
Uzma Tracer Sdn. Bhd.	Malaysia	100	70	Dormant
SVJ Holding Limited >	British Virgin Island	-	100	Investment holding
Uzma Well Services (Thailand) Co., Ltd.* ~	Thailand	49	49	Dormant
Uzma Archaeological Research Sdn. Bhd.	Malaysia	100	100	Dormant
Uzma LNG Sdn. Bhd.	Malaysia	-	70	Trading of liquefied natural gas
Subsidiary of PT Uzma				
PT Uzma Development Services*	Indonesia	90	90	Provision of supporting services in oil and gas mining
Subsidiary of SVJ Holding Limited and Uzma Well Services (Thailand) Co., Ltd.				
MMSVS Group Holding Co., Ltd.*	Thailand	-	100	Provision of repair and maintenance petroleum
Subsidiaries of Tenggara Analisis Sdn. Bhd.				
Setegap Ventures Petroleum Sdn. Bhd.	Malaysia	86	86	Providing support services including consumables, parts and letting out of machineries and equipment used in the oil and gas industry
Subsidiary of Selayang Tuah Sdn. Bhd. and Uzma Well Services (Thailand) Co., Ltd.				
MMSVS Group Holding Co., Ltd.*	Thailand	100	-	Provision of repair and maintenance petroleum

NOTES TO THE FINANCIAL STATEMENTS (CONTD.)

8. INVESTMENT IN SUBSIDIARIES (CONTD.)

Name of company	Principal place of business/ country of incorporation	Proportion equity interest		Principal activities
		2024 %	2023 %	
Subsidiary of Setegap Ventures Petroleum Sdn. Bhd.				
SVP Well Services Sdn. Bhd.>	Malaysia	-	100	Dormant
Subsidiary of Uzma Resource Solutions Sdn. Bhd.				
Jannatul Firdaus International Sdn. Bhd.	Malaysia	51	51	Provisions of general merchants and traders, general agents, wholesaler, distributors, imports, exports, commissioning agents and dealers in all types and kinds of goods, commodities and merchandise
Subsidiary of Uzma Energy Venture (Sarawak) Sdn. Bhd.				
Uzma Energy Venture SK433 Sdn. Bhd.	Malaysia	100	100	Provision of geoscience and reservoir engineering, drilling, project and operation services and other specialised services
Subsidiary of Uzma Production Enhancement Sdn. Bhd.				
Uzma Artificial Lift Sdn. Bhd.	Malaysia	75	75	Provision of artificial lift and pumping solutions service
Subsidiary of Uzma Artificial Lift Sdn. Bhd.				
Uzma Production Enhancement (Thailand) Co., Ltd.* ~	Thailand	48	48	Provision of artificial lift and pumping solutions service
Uzma Artificial Lift (Thailand) Co., Ltd. * ~	Thailand	99	48	Provision of artificial lift and pumping solutions service

NOTES TO THE FINANCIAL STATEMENTS (CONTD.)

8. INVESTMENT IN SUBSIDIARIES (CONTD.)

Name of company	Principal place of business/ country of incorporation	Proportion equity interest		Principal activities
		2024 %	2023 %	
Subsidiary of Uzma Production Enhancement (Thailand) Co., Ltd.				
Uzma Artificial Lift (Thailand) Co., Ltd.*~	Thailand	-	51	Provision of artificial lift and pumping solutions service
Subsidiary of Uzma Well Services Sdn. Bhd.				
Uzma Wireline Sdn. Bhd.^	Malaysia	100	-	Provision of cased holes services

- * Audited by other auditors other than Al Jafree Salihin Kuzaimi PLT.
 ~ Uzma Well Services (Thailand) Co., Ltd., Uzma Production Enhancement (Thailand) Co., Ltd. and Uzma Artificial Lift (Thailand) Co., Ltd. are considered subsidiaries although the Company does not own more than 50% of its equity because the Company has the power to appoint and remove majority of the Board of Directors and therefore control the Board.
 > Struck-off in current financial year.
 # Disposed in current financial year.
 ^ Newly incorporated subsidiaries

(a) Incorporation/Acquisition of subsidiaries

2024

- (i) On 13 July 2023, the Company's wholly-owned subsidiary, Uzma Well Services Sdn. Bhd. had incorporated a wholly-owned subsidiary, namely Uzma Wireline Sdn. Bhd. ("Wireline") with an issued and paid-up capital of 100,000 ordinary shares of RM1 each. The intended principal activity of Wireline was provision of cased holes services.
- (ii) On 14 July 2023, the Company had incorporated a wholly-owned subsidiary, namely Barat Tuah Sdn. Bhd. ("Barat") with an issued and paid-up capital of 100,000 ordinary shares of RM1 each. The intended principal activity of Barat was provision of oil and gas extraction services including wholesale of other solid, liquid and gaseous fuels and related products.
- (iii) On 14 July 2023, the Company had incorporated a wholly-owned subsidiary, namely Selayang Tuah Sdn. Bhd. ("Selayang") with an issued and paid-up capital of 100,000 ordinary shares of RM1 each. The intended principal activity of Selayang was provision of oil and gas extraction services including wholesale of other solid, liquid and gaseous fuels and related products.

2023

On 4 July 2022, the Company's wholly-owned subsidiary, Uzma Environergy Sdn Bhd had incorporated wholly-owned subsidiary, namely Enviroenergy Bakti Sdn. Bhd. ("Bakti") with an issued and paid-up capital of 1,000 ordinary shares of RM1 each. The intended principal activity of Bakti was solar system construction.

NOTES TO THE FINANCIAL STATEMENTS (CONTD.)

8. INVESTMENT IN SUBSIDIARIES (CONTD.)

(b) Subscription for additional interests in subsidiaries

2024

Uzma Artificial Lift (Thailand) Co., Ltd.

On 10 August 2023, Uzma Artificial Lift Sdn. Bhd. ("UAL") subscribed for 510 ordinary shares in Uzma Artificial Lift (Thailand) Co. Ltd. ("UAL Thai") representing 51% of ownership in UAL Thai. These ordinary shares were previously owned by Uzma Production Enhancement (Thailand) Co. Ltd.. Following the subscription, UAL's effective ownership in UAL Thai increased from 49% to 99% and UAL Thai becomes a 75% owned subsidiary of the Group.

Effect of the increase in the Group's ownership interest is as follows;

	RM'000
Fair value of consideration transferred	2
Less: Increase in share of net assets	(57)
Acquisition of non-controlling interests (equity transaction)	(55)

Uzma Laboratory Sdn. Bhd.

On 19 October 2023, the Company has further subscribed for the additional 99,900 ordinary shares for a total consideration of RM99,900 in its wholly owned subsidiary, Uzma Laboratory Sdn. Bhd. ("UZLB") as UZLB has increased its paid-up share capital from 100 to 100,000 ordinary shares. Following the subscription, the Company remained its 100% interest in UZLB.

Uzma Well Services Sdn. Bhd.

On 22 November 2023, the Company has further subscribed for the additional 99,998 ordinary shares for a total consideration of RM99,998 in its wholly owned subsidiary, Uzma Well Services Sdn. Bhd. ("UWS") as UWS has increased its paid-up share capital from 2 to 100,000 ordinary shares. Following the subscription, the Company remained its 100% interest in UWS.

Uzma Kuala Muda Sdn. Bhd.

On 23 May 2024, the Group's wholly owned subsidiary, Uzma Environergy Sdn. Bhd. ("Enviro") has further subscribed for the additional 3,441,614 in Uzma Kuala Muda Sdn Bhd ("UKM") for a consideration of RM3,441,614 as UKM has increased its paid-up share capital from 1000,000 to 4,441,614 ordinary shares. Following the subscription, Enviro remained its 100% interest in UKM.

Uzma Tracer Sdn. Bhd.

On 28 June 2024, the Company's wholly owned subsidiary Uzma Engineering Sdn. Bhd. ("UESB") had acquired an additional 30,000 ordinary shares in its subsidiary, Uzma Tracer Sdn. Bhd. ("UTR"), representing an additional 30% equity interest in UTR for a total purchase consideration of RM10,000. Consequently, UESB and the Group's effective ownership in UTR increased from 70% to 100% as a result of the additional shares purchased.

Effect of the increase in the Group's ownership interest is as follows;

	RM'000
Fair value of consideration transferred	10
Less: Increase in share of net assets	(5)
Acquisition of non-controlling interests (equity transaction)	5

NOTES TO THE FINANCIAL STATEMENTS (CONTD.)

8. INVESTMENT IN SUBSIDIARIES (CONTD.)

(b) Subscription for additional interests in subsidiaries (Contd.)

2023

Uzma LNG Sdn. Bhd.

On 1 November 2022, the Group's wholly owned subsidiary, Uzma Engineering Sdn Bhd ("UESB"), has further subscribed for the additional 69,300 ordinary shares for a total consideration of RM69,300 in Uzma LNG Sdn Bhd ("ULNG") as ULNG has increased its paid-up share capital from 100 to 100,000 ordinary shares. Following the subscription, UESB remained its 70% interest in ULNG.

Uzma Kuala Muda Sdn. Bhd.

On 31 January 2023, the Group's wholly owned subsidiary, Uzma Environergy Sdn. Bhd. ("Enviro") has further subscribed for the additional 900,000 ordinary shares for a total consideration of RM900,000 in Uzma Kuala Muda Sdn Bhd ("UKM") as UKM has increased its paid-up share capital from 100,000 to 1,000,000 ordinary shares. Following the subscription, Enviro remained its 100% interest in UKM.

(c) Disposal of subsidiaries

2024

On 15 June 2024, the Company had disposed its entire 100% equity investment in Uzma Nexus Sdn. Bhd. ("UZNX") for a total cash consideration of RM500,000.

(i) Summary of the effects of disposal of UZNX:

	RM'000
Recognised:	
Fair value of consideration	500
Derecognised:	
Fair value of identifiable net assets at disposal date	7
Non-controlling interests	13
Net assets disposed	20
Gain on disposal of UZNX	480

(ii) Effects of disposal on cash flows:

	RM'000
Fair value of consideration	500
Less: Receivable	(500)
Consideration received in cash	-
Less: Cash and cash equivalents of the subsidiary disposed	-
Net cash outflows on disposal	-

2023

There are no disposal of subsidiaries by the Group during the previous financial year.

NOTES TO THE FINANCIAL STATEMENTS (CONTD.)

8. INVESTMENT IN SUBSIDIARIES (CONTD.)

(d) Dilution of equity interest in a subsidiary

2023

On 19 October 2022, the Company's wholly-owned subsidiary, Premier Enterprise Corporation (M) Sdn Bhd ("PEC") allotted additional 25,000 ordinary shares for a total consideration of RM25,000 to non controlling interest. PEC has increased its paid-up share capital from 500,000 to 525,000 ordinary shares. Following the allotment, PEC remained its 95% owned subsidiary.

(e) Striking-off of a subsidiary

2024

During the year, Setegap Ventures Petroleum's wholly owned subsidiary, SVP Well Services Sdn. Bhd. has been struck-off from the Suruhanjaya Syarikat Malaysia ("SSM").

(f) Transfer of shares

On 23 June 2023, the Company's wholly owned subsidiary, Uzma Engineering Sdn. Bhd. ("UESB") has transferred its 1% investment in Uzma LNG Sdn. Bhd. ("ULNG") to the Company.

Subsequently, on 16 May 2024, UESB further transferred the balance of 69% investment in ULNG to the Company.

Following the transfers, ULNG remains as a 70% owned subsidiary of the Group.

NOTES TO THE FINANCIAL STATEMENTS (CONTD.)

8. INVESTMENT IN SUBSIDIARIES (CONTD.)

(g) Non-controlling interests in subsidiaries

The financial information of the Group's subsidiaries that have material non-controlling interests are as follows:

	Malaysian Energy Chemical & Services Sdn. Bhd. RM'000	PT Uzma Develop- ment Services RM'000	Setegap Ventures Petroleum Sdn. Bhd. RM'000	Uzma Artificial Lift Sdn. Bhd. RM'000
2024				
NCI percentage of ownership interest and voting interest	30%	10%	14%	25%
Carrying amount of NCI	16,999	505	22,479	(762)
Profit/(Loss) allocated to NCI	1,096	(416)	1,775	1,579
Total comprehensive income/(loss) allocated to NCI	1,096	(421)	1,775	1,579
2023				
NCI percentage of ownership interest and voting interest	30%	10%	14%	25%
Carrying amount of NCI	15,903	926	20,704	(2,341)
Profit/(Loss) allocated to NCI	737	(14)	1,692	292
Total comprehensive income/(loss) allocated to NCI	737	(17)	1,692	292

NOTES TO THE FINANCIAL STATEMENTS (CONTD.)

8. INVESTMENT IN SUBSIDIARIES (CONTD.)

(h) Summarised financial information of material non-controlling interests

The summarised financial information (before intra-group elimination) of the Group's subsidiaries that have material non-controlling interests are as follows:

	Malaysian Energy Chemical & Services Sdn. Bhd. RM'000	PT Uzma Development Services RM'000	Setegap Ventures Petroleum Sdn. Bhd. RM'000	Uzma Artificial Lift Sdn. Bhd. RM'000
2024				
Summarised statements of financial position				
Non-current assets	4,043	10,927	101,730	719
Current assets	61,916	5,996	137,577	40,095
Non-current liabilities	(1,195)	(12,048)	(36,127)	(172)
Current liabilities	(15,406)	(13,318)	(73,040)	(33,650)
Net assets/(liabilities)	49,358	(8,443)	130,140	6,992
Summarised statements of comprehensive income				
Revenue	61,995	859	134,607	25,502
Profit/(Loss) for the financial year	3,652	(4,271)	12,678	6,315
Total comprehensive income/(loss)	3,652	(4,316)	12,678	6,315
Summarised cash flows information				
Cash flows generated from operating activities	1,708	1,735	35,601	(1,024)
Cash flows generated from/ (used in) investing activities	4,222	(100)	(9,934)	(2)
Cash flows used in financing activities	(2,722)	(607)	(16,428)	1,026
Net increase in cash and cash equivalents	3,208	1,028	9,239	-
Dividends paid to non-controlling interests	750	-	1,389	-

NOTES TO THE FINANCIAL STATEMENTS (CONTD.)

8. INVESTMENT IN SUBSIDIARIES (CONTD.)

(h) Summarised financial information of material non-controlling interests (CONTD.)

The summarised financial information (before intra-group elimination) of the Group's subsidiaries that have material non-controlling interests are as follows: (Contd.)

	Malaysian Energy Chemical & Services Sdn. Bhd. RM'000	PT Uzma Development Services RM'000	Setegap Ventures Petroleum Sdn. Bhd. RM'000	Uzma Artificial Lift Sdn. Bhd. RM'000
2023				
Summarised statements of financial position				
Non-current assets	4,567	13,975	106,905	866
Current assets	54,486	10,207	157,972	3,951
Non-current liabilities	(1,248)	(24,524)	(45,026)	-
Current liabilities	(9,599)	(3,499)	(92,462)	(4,579)
Net assets/(liabilities)	48,206	(3,841)	127,389	238
Summarised statements of comprehensive income				
Revenue	45,610	7,712	112,494	666
Profit/(Loss) for the financial year	2,455	(137)	10,361	(1,168)
Total comprehensive income/(loss)	2,455	(173)	10,361	(1,168)
Summarised cash flows information				
Cash flows generated from/ (used in) operating activities	359	650	34,284	(2,670)
Cash flows generated from/ (used in) investing activities	816	(5)	(9,327)	-
Cash flows used in/generated from financing activities	(2,832)	(688)	(23,711)	2,670
Net (decrease)/increase in cash and cash equivalents	(1,657)	(43)	1,246	-
Dividends paid to non-controlling interests	600	-	506	-

NOTES TO THE FINANCIAL STATEMENTS (CONTD.)

9. INVESTMENT IN ASSOCIATES

	Group		Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000 Restated
Unquoted shares, at cost				
At 1 July	8,516	8,516	3,627	3,627
Addition	*	-	-	-
Disposal	(3,390)	-	(3,390)	-
Write off	(237)	-	(237)	-
At 30 June	4,889	8,516	-	3,627
Share of post-acquisition results				
At 1 July	4,311	2,973	-	-
Share of profits	17	2,353	-	-
Dividend received	-	(1,015)	-	-
Disposal	(2,394)	-	-	-
Write off	237	-	-	-
At 30 June	2,171	4,311	-	-
Less: Impairment loss	-	-	-	(237)
	7,060	12,827	-	3,390

*Denotes amount below RM1,000

The associates are accounted for using the equity method in the consolidated financial statements.

Details of the associates are as follows:

Name of company	Principal place of business/ country of incorporation	Proportion equity interest		Principal activities
		2024 %	2023 %	
Rockwash Geodata Ltd #	United Kingdom	-	24	Rock sample preparation, storage and support for oil and gas industry
Aerosun Uzma Malaysia Sdn. Bhd. >	Malaysia	-	48	Dormant

NOTES TO THE FINANCIAL STATEMENTS (CONTD.)

9. INVESTMENT IN ASSOCIATES (CONTD.)

Details of the associates are as follows: (Contd.)

Name of company	Principal place of business/ country of incorporation	Proportion equity interest		Principal activities
		2024 %	2023 %	
Suria Infiniti Sdn. Bhd. ~^	Malaysia	49	49	Provision of renewable energy services
Bahau Power Sdn. Bhd. @	Malaysia	49	-	Provision of renewable energy services

- ~ Audited by auditors other than Al Jafree Salihin Kuzaimi PLT.
 ^ The financial statements have been reviewed for consolidation purposes.
 > Struck-off in current financial year.
 # Disposed in current financial year.
 @ Incorporated in current financial year

(a) Incorporation of associate

On 11 October 2023, the Company's wholly owned subsidiary, Uzma Environergy Sdn. Bhd. ("Enviro") and Angelaxy Power Sdn Bhd incorporated Bahau Power Sdn. Bhd. ("Bahau Power"). Bahau Power is a special purpose vehicle incorporated to undertake the project under the corporate green power programme in which Enviro is holding 49% shareholding, making Bahau Power an associate company of the Group.

The summarised financial information of the associates is not disclosed in Note 9 (d) as the financial impact is considered immaterial to the Group.

(b) Disposal of associate

On 27 June 2024, the Company had disposed its entire equity interest in Rockwash Geodata Ltd. ("Rockwash") for a total cash and contingent consideration of RM7,017,000.

(c) Striking-off of an associate

During the year, Aerosun Uzma Malaysia Sdn. Bhd. has been struck-off from the Suruhanjaya Syarikat Malaysia ("SSM").

NOTES TO THE FINANCIAL STATEMENTS (CONTD.)

9. INVESTMENT IN ASSOCIATES (CONTD.)

- (d) The following table illustrates the summarised financial information of the Group's associates, adjusted for any differences in accounting policies and reconciles the information to the carrying amount of the Group's interests in the associates:

	Rockwash Geodata Ltd* RM'000	Aerosun Uzma Malaysia Sdn. Bhd.* RM'000	Suria Infiniti Sdn. Bhd. RM'000	Total RM'000
Group				
2024				
Assets and liabilities:				
Non-current assets	-	-	1,385	1,385
Current assets	-	-	37,817	37,817
Current liabilities	-	-	(31,429)	(31,429)
Net assets/(liabilities)	-	-	7,773	7,773
Results:				
Revenue	-	-	174,044	174,044
Profit for the financial year	-	-	4,547	4,547
Total comprehensive income	-	-	4,547	4,547
Reconciliation of net assets/ (liabilities) to carrying amount:				
Share of net assets/(liabilities) at the acquisition date	-	-	743	743
Goodwill on acquisition	-	-	4,146	4,146
Cost of investment	-	-	4,889	4,889
Share of post-acquisition profits	-	-	2,171	2,171
Share of unrecognised losses	-	-	-	-
Carrying amount in the statements of financial position	-	-	7,060	7,060

*No financial information been disclosed as the Company has lost its significant influence over the entity.

NOTES TO THE FINANCIAL STATEMENTS (CONTD.)

9. INVESTMENT IN ASSOCIATES (CONTD.)

- (d) The following table illustrates the summarised financial information of the Group's associates, adjusted for any differences in accounting policies and reconciles the information to the carrying amount of the Group's interests in the associates: (Contd.)

	Rockwash Geodata Ltd* RM'000	Aerosun Uzma Malaysia Sdn. Bhd.* RM'000	Suria Infiniti Sdn. Bhd. RM'000	Total RM'000
Group				
2024				
Group's share of results				
Group's share of (profit)/loss, representing Group's share of total comprehensive income	(737)	-	754	17
2023				
Assets and liabilities:				
Non-current assets	6,000	466	1,328	7,794
Current assets	10,138	16,488	33,190	59,816
Current liabilities	(1,519)	(20,153)	(29,798)	(51,470)
Net assets/(liabilities)	14,619	(3,199)	4,720	16,140
Results:				
Revenue	13,070	-	16,386	29,456
Profit for the financial year	1,090	-	4,723	5,813
Total comprehensive income	1,090	-	4,723	5,813
Reconciliation of net assets/ (liabilities) to carrying amount:				
Share of net assets/(liabilities) at the acquisition date	795	(1,536)	743	2
Goodwill on acquisition	2,595	1,773	4,146	8,514
Cost of investment	3,390	237	4,889	8,516
Share of post-acquisition profits	3,352	-	1,196	4,548
Share of unrecognised losses	-	(237)	-	(237)
Carrying amount in the statements of financial position	6,742	-	6,085	12,827
Group's share of results				
Group's share of profit, representing Group's share of total comprehensive income	259	-	2,094	2,353

NOTES TO THE FINANCIAL STATEMENTS (CONTD.)

10. INVESTMENT IN JOINT VENTURES

	Group	
	2024 RM'000	2023 RM'000
Unquoted share, at cost	31	31
Share of post-acquisition reserves	(31)	(31)
	-	-

Details of joint ventures are as follows:

Name of company	Principal place of business/ country of incorporation	Proportion equity interest		Principal activities
		2024 %	2023 %	
Khausar Energy Sdn. Bhd. ^	Malaysia	50	50	Dormant

^ Disclosed using unaudited management financial statements, auditors' report is not available.

The Group had not recognised its share of losses of Khausar Energy Sdn. Bhd. because the Group's cumulative share of losses had exceeded its interest in the joint venture and the Group had no obligation in respect of the losses. The Group's cumulative accumulated losses not recognised were RM380,936 (2023: RM368,687).

11. DEFERRED TAX (LIABILITIES)/ASSETS

	Group		Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Deferred tax (liabilities)/assets				
At 1 July	(22,053)	(21,280)	(30)	(172)
Recognised in profit or loss (Note 31)	3,572	(836)	1,026	142
Exchange differences	(210)	63	-	-
At 30 June	(18,691)	(22,053)	996	(30)

NOTES TO THE FINANCIAL STATEMENTS (CONTD.)

11. DEFERRED TAX (LIABILITIES)/ASSETS (CONTD.)

(a) Presented after appropriate off-setting as follows:

	Group		Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Deferred tax assets	8,059	2,401	1,026	-
Deferred tax liabilities	(26,750)	(24,454)	(30)	(30)
	(18,691)	(22,053)	996	(30)

(b) The components of deferred tax (liabilities)/assets prior to offsetting are as follows:

	Group		Company	
	2024 RM'000	2023 RM'000 Restated	2024 RM'000	2023 RM'000
Deferred tax assets				
Unutilised tax losses	8,084	7,839	-	-
Unabsorbed capital allowance	37,736	42,259	-	-
Provisions	9,207	7,328	1,003	-
Others	6,818	647	5	24
	61,845	58,073	1,008	24
Deferred tax liabilities				
Differences between the carrying amounts of property, plant and equipment and their tax bases	(76,884)	(75,527)	(12)	(54)
Deferred tax liabilities arising from acquisition of subsidiaries	(3,652)	(4,599)	-	-
	(80,536)	(80,126)	(12)	(54)
	(18,691)	(22,053)	996	(30)

NOTES TO THE FINANCIAL STATEMENTS (CONTD.)

11. DEFERRED TAX (LIABILITIES)/ASSETS (CONTD.)

- (c) The estimated amount of temporary differences for which no deferred tax assets are recognised in the financial statements are as follows:

	Group		Company	
	2024 RM'000	2023 RM'000 Restated	2024 RM'000	2023 RM'000
Unabsorbed capital allowances	149	1,008	-	-
Unutilised tax losses	6,758	30,714	-	-
	6,907	31,722	-	-

The availability of unutilised tax losses for offsetting against future taxable profits of the respective subsidiaries in Malaysia are subject to requirements under Income Tax Act, 1967 and guidelines issued by the tax authority.

Pursuant to Section 8 of the Finance Act, 2021 (Act 833), the amendment to Section 44(5F) of Income Tax Act, 1967, the time limit on the carried forward unutilised tax losses has been extended to maximum 10 consecutive years. This amendment is deemed to have effect for the year of assessment 2019 and subsequent year of assessment.

Any unutilised tax losses brought forward from year of assessment 2018 can be carried forward for another 10 years consecutive years of assessment (i.e. from year of assessments 2019 to 2028).

	Group	
	2024 RM'000	2023 RM'000
2028	-	4,812
2029	1,102	14,844
2030	1,365	3,300
2031	849	1,513
2032	2,773	5,267
2033	607	978
2034	62	-

NOTES TO THE FINANCIAL STATEMENTS (CONTD.)

12. TRADE AND OTHER RECEIVABLES

		Group		Company	
Note		2024 RM'000	2023 RM'000 Restated	2024 RM'000	2023 RM'000
Non-current:					
Other receivables					
- Amounts owing by subsidiaries	(c)	-	-	522	522
- Third parties		10,369	5,982	-	-
		10,369	5,982	522	522
Less: Expected credit losses for non-current other receivables					
- Third parties	(b)	-	-	-	-
		10,369	5,982	522	522
Current:					
Trade receivables					
- Third parties		107,889	204,541	-	-
- Related parties		-	-	-	-
		107,889	205,680	-	-
Less: Expected credit losses for trade receivables					
- Third parties	(a)	(20,345)	(20,311)	-	-
Total trade receivables, net	(a)	87,544	185,369	-	-
Other receivables					
- Third parties	(g)	34,822	34,300	12,308	5,524
- Amounts owing by subsidiaries	(c)	-	-	106,366	73,297
- Amount owing by a related party	(d)	5,662	711	-	-
- Amount owing by an associate	(e)	5	5	5	5
- Amounts owing by non- controlling interests	(f)	30	30	-	-
- Amount owing by a joint venture	(e)	490	490	-	-
		41,009	35,536	118,679	78,826
Less: Expected credit losses for other receivables					
- Third parties	(b)	(5,258)	(804)	(1,805)	(1,805)
- subsidiaries	(b)	-	-	(1,343)	(1,343)
		(5,258)	(804)	(3,148)	(3,148)
		35,751	34,732	115,531	75,678

NOTES TO THE FINANCIAL STATEMENTS (CONTD.)

12. TRADE AND OTHER RECEIVABLES (CONTD.)

		Group		Company	
	Note	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Current: (Contd.)					
Other receivables (Contd.)					
Deposits		8,492	6,622	728	566
Advances to sub-contractors		50,077	8,207	-	-
GST refundable		495	540	-	-
Prepayments	(h)	7,394	5,680	829	411
Total other receivables, net		102,209	55,781	117,088	76,655
Total trade and other receivables (current)					
		189,753	241,150	117,088	76,655
Total trade and other receivables (non-current and current)					
		200,122	247,132	117,610	77,177

(a) Credit term of trade receivables

Trade receivables are non-interest bearing and the Group's normal trade credit terms extended to customers ranging from 30 to 60 days (2023: 30 to 60 days). Other credit terms are assessed and approved on a case-by-case basis.

Receivables that are impaired

The Group's trade receivables that are impaired at the reporting date and the movement in the impairment of trade receivables is as follows:

Trade receivables

At 1 July
Charge for the financial year (Note 30)
- individually assessed
- collectively assessed
Reversal of impairment losses (Note 30)

At 30 June

Group	
2024 RM'000	2023 RM'000
20,311	18,798
34	1,395
-	180
-	(62)
20,345	20,311

NOTES TO THE FINANCIAL STATEMENTS (CONTD.)

12. TRADE AND OTHER RECEIVABLES (CONTD.)

(b) Other receivables

The Group and the Company's other receivables that are impaired at the reporting date and the movement in the expected credit losses allowance of other receivables is as follows:

	Group		Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Other receivables				
At 1 July	804	4,144	3,148	3,148
Charge for the financial year (Note 30)				
- individually assessed	4,454	-	-	-
Reversal of expected credit losses (Note 30)	-	(3,340)	-	-
At 30 June	5,258	804	3,148	3,148

- (c) Amounts owing by subsidiaries are non-trade in nature, unsecured, interest-free and repayable upon demand in cash. Included in non-current other receivables are amounts owing by subsidiaries of RM522,000 (2023: RM522,000) which are not expected to be settled within the next twelve months.
- (d) Amount owing by a related party is non-trade in nature, unsecured, interest-free and repayable upon demand in cash.
- (e) Amounts owing by an associate are non-trade in nature, unsecured, interest-free and repayable upon demand in cash.
- (f) Amounts owing by non-controlling interests are non-trade in nature, unsecured, interest-free and repayable upon demand in cash.
- (g) Included in other receivables of the Group is an amount of approximately RM6,806,990 (2023: RM4,682,000) which represents materials purchased in advance for customers. The installation services had yet to be performed at the end of the reporting period.
- (h) Included in prepayments of the Group is a down payment of RM Nil (2023: RM3,800,000) for the purchase of equipment.
- (i) The information about the credit exposures are disclosed in Note 34(a).

NOTES TO THE FINANCIAL STATEMENTS (CONTD.)

13. OTHER INVESTMENTS

	Group		Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Non-current:				
Financial assets at designated fair value through other comprehensive income ("FVOCI")				
At fair value:				
<u>Unquoted equity securities</u>				
At 1 July	105	4,080	-	-
Written-off	-	(3,975)	-	-
At 30 June	105	105	-	-
Current:				
Financial assets at fair value through profit or loss ("FVPL")				
At fair value:				
- Quoted equity securities	22	257	150	146
Total other investments (non-current and current)	127	362	150	146

The Group holds non-controlling interests in unquoted equity securities designated at fair value through other comprehensive income. These investments were irrevocably designated at fair value through other comprehensive income as the Group considers these investments as strategic long-term investments.

14. INVENTORIES

At cost:

Raw materials
Finished goods
Consumable goods

Less: Provision for obsolescence

Group	
2024 RM'000	2023 RM'000
9,616	2,576
27,026	23,246
31,399	21,993
68,041	47,815
(195)	(207)
67,846	47,608

NOTES TO THE FINANCIAL STATEMENTS (CONTD.)

14. INVENTORIES (CONTD.)

The cost of inventories of the Group recognised as an expense in cost of sales during the financial year is RM84,225,000 (2023: RM95,197,000). In addition, the expenses recognised in the profit or loss include the following:

	Group	
	2024 RM'000	2023 RM'000
Inventories written off	-	341
Inventories written down	-	24
Inventories written back	(12)	(128)
	(12)	237

15. CONTRACT ASSETS/(LIABILITIES)

	Note	Group	
		2024 RM'000	2023 RM'000
Contract assets relating to service contracts	(a)	77,565	101,390
Contract liabilities relating to service contracts	(b)	(26,254)	(50,832)

Significant changes in contract balances

	2024		2023	
	Contract assets increase/ (decrease) RM'000	Contract liabilities (increase)/ decrease RM'000	Contract assets increase/ (decrease) RM'000	Contract liabilities (increase)/ decrease RM'000
Group				
Revenue recognised that was included in contract liability at the beginning of the financial year	-	51,216	-	1,015
Increase due to consideration received from customers, but revenue not recognised	-	(26,638)	-	(51,490)
Increase due to revenue recognised for unbilled goods or services transferred to customers	275,106	-	295,461	-
Transfers from contract assets recognised at the beginning of the period to receivables	(298,931)	-	(360,162)	-

NOTES TO THE FINANCIAL STATEMENTS (CONTD.)

15. CONTRACT ASSETS/(LIABILITIES) (CONTD.)

(a) Contract assets

The contract assets represent the Group's rights to consideration for the work performed but yet to be billed. Contract assets are transferred to receivables when the Group issue progress billings to the customers. Typically, the amount will be billed within 60 days and payment is expected within 45 days.

(b) Contract liabilities

The contract liabilities represent progress billings and deposits received for which performance obligations have not been satisfied. The contract liabilities are expected to be recognised as revenue over a period of 60 days.

16. DEPOSITS, CASH AND BANK BALANCES

	Group		Company	
	2024 RM'000	2023 RM'000 Restated	2024 RM'000	2023 RM'000
Cash and bank balances	71,163	44,487	1,562	1,884
Cash deposits placed with licensed banks	61,138	51,349	12,546	11,376
Cash and cash equivalents as presented in the statements of financial position	132,301	95,836	14,108	13,260
Less: Unpledged fixed deposits with tenure more than 3 months	(10,641)	(5,174)	-	-
Less: Pledged deposits	(50,497)	(41,041)	(12,546)	(11,376)
Less: Bank overdrafts (Note 23)	(5,139)	(43,130)	-	(13,760)
Cash and cash equivalents as presented in the statements of cash flows	66,024	6,491	1,562	(11,876)

- (a) Cash deposits placed with licensed banks of the Group and of the Company bear interest at rates ranging from 1.50% to 3.00% (2023: 1.20% to 3.10%) per annum.
- (b) Fixed deposits with tenure more than 3 months bear interest at rates ranging from 2.00% to 2.90% (2023: 1.80% to 1.85%) per annum and mature within one year.
- (c) Cash deposits placed with licensed banks amounting of RM50,497,000 (2023: RM41,041,000) and RM12,546,000 (2023: RM11,376,000) of the Group and of the Company respectively are pledged as security for banking facilities granted to subsidiaries as disclosed in Note 23.

NOTES TO THE FINANCIAL STATEMENTS (CONTD.)

17. SHARE CAPITAL

	Group and Company			
	Number of ordinary shares		Amounts	
	2024 Units'000	2023 Units'000	2024 RM'000	2023 RM'000
Issued and fully paid up (no par value):				
At 1 July	352,031	352,031	307,535	307,535
Issued during the financial year	83,300	-	77,749	-
Transaction costs of share issued	-	-	(1,761)	-
At 30 June	435,331	352,031	383,523	307,535

The holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at meetings of the Company. All ordinary shares rank equally with regard to the Company's residual assets.

During the financial year, the Company:

- (i) issued 35,200,000 new ordinary shares at a price of RM0.61 per ordinary share pursuant to private placement for a total consideration of RM21,472,000.
- (ii) issued 48,100,000 new ordinary shares at a price of RM1.17 per ordinary share pursuant to private placement for a total consideration of RM56,277,000.

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

On 27 September 2024, the directors recommended the payment of a first and final single tier dividend of RM0.02 per ordinary share in respect of the financial year ended 30 June 2024. The declaration of the first and final single tier dividend is subject to the approval of the shareholders at the forthcoming Annual General Meeting.

The entire first and final single tier dividend recommended by the directors will be applicable to the Proposed Dividend Reinvestment Scheme ("Proposed DRS") (subject to the approvals of the relevant authorities and shareholders). In the event all the relevant approvals for the Proposed DRS are not obtained, the said first and final single tier dividend will be paid wholly in cash.

18. FOREIGN CURRENCY TRANSLATION RESERVE

The foreign currency translation reserve comprises all foreign currency differences arising from the translation of the financial statements of foreign operations whose functional currencies are different from that of the Group's presentation currency as well as the foreign currency differences arising from monetary items which form part of the Group's net investment in foreign operations, where the monetary item is denominated in either the functional currency of the reporting entity of the foreign operation or another currency.

NOTES TO THE FINANCIAL STATEMENTS (CONTD.)

19. CAPITAL RESERVE

	Group	
	2024 RM'000	2023 RM'000
Statutory reserve	25	25
Other capital reserve	252	252
	277	277

The foreign subsidiary is required under provision of the Civil and Commercial Code of Thailand, to set aside as a statutory reserve of at least 5% of its net profit at each dividend declaration until the reserve reaches 10% of the authorised share capital.

Other capital reserve is related to the bonus issue by a subsidiary by capitalisation of the subsidiary's retained profits account.

All the above reserves are not available for dividend declaration.

20. MERGER DEFICIT

The merger deficit relates to the difference between the nominal value of shares issued for the purchase of a subsidiary and the nominal value of the shares acquired.

21. FAIR VALUE RESERVE

This reserve comprises the cumulative net change in fair value of financial asset at fair value through other comprehensive income ("FVOCI") until the investment is derecognised or impaired.

The Group has elected to recognise changes in the fair value of an investment in equity securities in other comprehensive income, as disclosed in Note 13. These changes are accumulated within the fair value reserve of financial asset at FVOCI. The Group transfers amounts from this reserve to retained earnings when the relevant equity securities are derecognised.

During the year ended 30 June 2024, the relevant equity securities have been derecognised hence the Group transferred the amount from fair value reserve to retained earnings.

22. PERPETUAL SUKUK

	Group and Company	
	2024 RM'000	2023 RM'000
Issuance nominal value	-	42,250
Less: Transaction costs related to issuance	-	(1,398)
	-	40,852

On 30 April 2021, the Company had issued the first tranche of Perpetual Sukuk Musharakah of RM42.25 million in nominal value under its Perpetual Sukuk Musharakah Programme of up to RM300 million. These issued perpetual sukuk were part of the first tranche of the programme.

The proceeds from the issuance of the perpetual sukuk were for the refinancing of existing financing/borrowings, capital expenditure, working capital, general corporate purposes, defraying fees, costs and expenses in relation to the issuance of the Perpetual Sukuk Musharakah and the Perpetual Sukuk Musharakah Programme and/or prefunding of the reserve account for the applicable tranche which amount in aggregate shall be equivalent to an expected periodic distribution amount.

The perpetual sukuk was accounted for as an equity instrument as the payment of any distribution or dissolution of the Proposed Sukuk Musharakah was at the option of the Company and the enforcement events, other than the Company's liquidation, was regarded as within the control of the Company. As at 30 June 2024, a periodic distribution for Perpetual Sukuk payable was nil (2023: RM3,113,882).

NOTES TO THE FINANCIAL STATEMENTS (CONTD.)

22. PERPETUAL SUKUK (CONTD.)

The salient features of the perpetual sukuk were as follows:

- (i) The perpetual sukuk is issued under the Shariah principle of Musharakah and unrated.
- (ii) The perpetual sukuk is structured with a perpetual tenure and may only be redeemed by the Company upon the occurrence of a Redemption Event.
- (iii) The Perpetual Sukuk Musharakah shall at all times constitute direct, secured or unsecured (as the case may be), unconditional and subordinated obligations of the Company under the laws of Malaysia and shall at all times rank pari passu among themselves and as follows:
 - (a) in respect of such issuance of the Secured Perpetual Sukuk Musharakah, rank pari passu, without discrimination, preference or priority among themselves but each issuance of Perpetual Sukuk Musharakah will be secured by their respective security and shall rank at least pari passu with all other present and future unsecured, unconditional and subordinated obligations of the Company and with any Parity Obligations; and
 - (b) in respect of such issuance of the Perpetual Sukuk Musharakah under the Perpetual Sukuk Musharakah Programme which are unsecured ("Unsecured Perpetual Sukuk Musharakah"), rank pari passu without discrimination, preference or priority amongst themselves, and at least pari passu with all other present and future unconditional, subordinated and unsecured obligations of the Company (including Parity Obligations).
- (iv) The Company may, at its sole discretion, opt to defer payment of the Expected Periodic Distribution Amount (in whole or in part) which is otherwise scheduled to be paid on a Periodic Distribution Date by giving an irrevocable Optional Deferral Notice not less than fifteen (15) days and not more than thirty (30) days prior to the relevant Periodic Distribution Date, provided that no Compulsory Periodic Distribution Payment Event (as defined below) has occurred.

A "Compulsory Periodic Distribution Payment Event" shall have occurred if, during the six (6)- month period ending on the day before the relevant scheduled Periodic Distribution Date, either or both of the following have occurred:

 - (a) the Company has declared or paid any dividends, distributions or made other payments in respect of any of its Junior Obligations or Parity Obligations (except on a pro-rata basis with the Perpetual Sukuk Musharakah); or
 - (b) the Company has redeemed, reduced, cancelled, bought back or purchased any of its Junior Obligations or Parity Obligations (except on a pro-rata basis with the Perpetual Sukuk Musharakah).
- (v) All matters or resolutions which require the Sukukholders' consent/approval under the Perpetual Sukuk Musharakah Programme shall be carried out on a per tranche basis.
- (vi) The Company has the option to redeem the perpetual sukuk under the following circumstances:
 - (a) Optional Redemption - the Company may redeem the perpetual sukuk at par at the relevant exercise price on any Call Date;
 - (b) Accounting Event Redemption - if the perpetual sukuk is or will no longer be recorded as equity as a result of changes to accounting standards;
 - (c) Tax Event Redemption - if the Company is or will become obliged to pay additional amount due to changes in tax laws or regulations;
 - (d) Sinking Fund Event Redemption - if the Company breaches the then applicable Required Build-Up applicable to the relevant SFA of a particular tranche of Perpetual Sukuk Musharakah ("Affected Perpetual Sukuk Musharakah");
 - (e) Privatisation Event Redemption- if the Company fails to maintain its status as a public listed company on Bursa Malaysia Securities Berhad and is delisted;
 - (f) Leverage Event Redemption - if the Net DE Ratio of the Company (on a consolidated basis) exceeds 1.25 times;
 - (g) Shareholder/Shareholding Event Redemption - if the shareholding of CRE changed; and
 - (h) Change in Control Event Redemption- if Dato' Kamarul Redzuan Bin Muhamed ceases to hold (directly or indirectly) more than twenty five per cent (25%) of the issued share capital or voting rights in the Company.

NOTES TO THE FINANCIAL STATEMENTS (CONTD.)

22. PERPETUAL SUKUK (CONTD.)

The salient features of the perpetual sukuk were as follows:

- (vii) The perpetual sukuk issued during the year carried an initial fixed periodic distribution rate of 6.3% per annum payable on semi-annual basis in arrears. The periodic distribution rate of any tranche of perpetual sukuk will be reset at the aggregate of the initial period distribution rate plus step-up margin provided that such rate is capped at maximum rate.
- (viii) Each tranche of Perpetual Sukuk Musharakah issued under the Perpetual Sukuk Musharakah Programme may or may not be secured. The security for each tranche of the Secured Perpetual Sukuk Musharakah issued under the Perpetual Sukuk Musharakah Programme may include (but is not limited to) the following:
 - (a) first legal charge and assignment over the Designated Accounts opened by the Company;
 - (b) first legal charge and assignment by the Contract Party over the Revenue Account;
 - (c) first legal assignment of the rights, title, benefits and interests of the Company and/or any entity within the Group ("Contract Party") in respect of all monies payable to the Contract Party ("Contract Proceeds") under the contracts to be identified in the pricing supplement (if applicable) ("Contracts") to the extent permissible to be assigned and charge over Contract Proceeds ("Assignment and Charge over Contract Proceeds"); and
 - (d) such other security as may be required by the Lead Arranger or Lead Manager(s), and/or as may be advised by the Solicitor and acceptable to the Shariah Adviser.

On 30 April 2024, the Company had made a full redemption of perpetual sukuk under its Perpetual Sukuk Musharakah Programme.

23. LOANS AND BORROWINGS

		Group		Company	
	Note	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Non-current:					
Term loans	(a)	350,420	64,751	64,251	45,961
Medium term notes	(e)	-	74,143	-	-
		350,420	138,894	64,251	45,961
Current:					
Term loans	(a)	87,694	44,068	20,027	13,134
Revolving credit	(b)	117,180	39,889	17,506	16,566
Invoice financing	(c)	57,621	46,579	-	-
Bank overdrafts (Note 16)	(d)	5,139	43,130	-	13,760
Medium term notes	(e)	-	50,000	-	-
		267,634	223,666	37,533	43,460
		618,054	362,560	101,784	89,421

NOTES TO THE FINANCIAL STATEMENTS (CONTD.)

23. LOANS AND BORROWINGS (CONT'D.)

		Group		Company	
	Note	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Total loans and borrowings:					
Term loans	(a)	438,114	108,819	84,278	59,095
Revolving credit	(b)	117,180	39,889	17,506	16,566
Invoice financing	(c)	57,621	46,579	-	-
Bank overdrafts (Note 16)	(d)	5,139	43,130	-	13,760
Medium term notes	(e)	-	124,143	-	-
		618,054	362,560	101,784	89,421

(a) Term loans

	Group		Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Term loan 1	9,046	10,740	-	-
Term loan 2	-	9,802	-	-
Term loan 3	-	639	-	-
Term loan 4	319	4,135	-	-
Term loan 5	17,676	22,728	17,676	22,728
Term loan 6	28,285	36,367	28,285	36,367
Term loan 7	-	8,548	-	-
Term loan 8	10,084	10,979	-	-
Term loan 9	244	962	-	-
Term loan 10	550	228	-	-
Term loan 11	4,317	3,691	-	-
Term loan 12	38,317	-	38,317	-
Term loan 13	3	-	-	-
Term loan 14	64,457	-	-	-
Term loan 15	4,708	-	-	-
Term loan 16	104,200	-	-	-
Term loan 17	8,885	-	-	-
Term loan 18	10,000	-	-	-
Term loan 19	137,023	-	-	-
	438,114	108,819	84,278	59,095

NOTES TO THE FINANCIAL STATEMENTS (CONTD.)

23. LOANS AND BORROWINGS (CONT'D.)

(a) Term loans (Contd.)

The term loans are repayable as follows:

	Group		Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Non-current liabilities:				
- due more than 1 year but not later than 5 years	253,286	60,558	64,251	45,961
- due after 5 years	97,134	4,193	-	-
	350,420	64,751	64,251	45,961
Current liabilities:				
- due within 1 year	87,694	44,068	20,027	13,134
	438,114	108,819	84,278	59,095

The term loans bear interest at rates ranging from 5.20% to 8.95% (2023: 3.77% to 7.85%) per annum and are supported as follows:

- (i) Legal charge over the freehold properties of a subsidiary (Note 5);
- (ii) Fixed deposits of a subsidiary and of the Company (Note 16);
- (iii) Corporate guarantees from the Company;
- (iv) Legal charge over the operating equipment of a subsidiary (Note 5);
- (v) Legal charge over the leasehold properties of a subsidiary (Note 5);
- (vi) Pledge over the shares of a subsidiary;
- (vii) Joint and several guarantee by a director of the Company and of a subsidiary;
- (viii) Fresh assignment of future income as per Schedule A, C, F of water injection facility contract;
- (ix) Assignment of insurance proceeds of a subsidiary;
- (x) Assignment and a fixed charge over receivables of a subsidiary;
- (xi) Assignment and a fixed charge over the designated Escrow account of a subsidiary; and
- (xii) Assignment over Collection Account and Finance Service Reserve Account of a subsidiary.

NOTES TO THE FINANCIAL STATEMENTS (CONTD.)

23. LOANS AND BORROWINGS (CONT'D.)

(b) Revolving credit

The revolving credit is secured by way of:

- (i) Corporate guarantee from a subsidiary and the Company;
- (ii) First legal charge in favour of the bank over the designated Escrow account;
- (iii) Second legal charge over the freehold properties of a subsidiary (Note 5);
- (iv) Assignment and a fixed charge over receivables;
- (v) Cash deposit equivalent to 3 months profit payment under the Facility shall be maintained with the Bank at all times; and
- (vi) A fixed charge over the Designated Collections Account.

The revolving credit bears effective interest rates ranging from 4.12% to 7.40% (2023: 4.35% to 6.85%) per annum.

(c) Invoice financing

The invoice financing is secured by way of:

- (i) Corporate guarantee from the Company;
- (ii) First legal charge in favour of the bank over the designated Escrow account; and
- (iii) Assignment and a fixed charge over receivables.

The invoice financing bears effective interest rates ranging from 5.25% to 6.59% (2023: 3.90% to 7.54%) per annum.

(d) Bank overdrafts

The bank overdrafts are secured by way of:

- (i) Corporate guarantee from the Company;
- (ii) First legal charge in favour of the bank over the designated Escrow account;
- (iii) Assignment and a fixed charge over receivables;
- (iv) Legal charge over the freehold properties of a subsidiary (Note 5);
- (v) Fixed deposits of a subsidiary and of the Company (Note 16);
- (vi) Pledge over the shares of a subsidiary;
- (vii) Legal charge over the operating equipment of a subsidiary (Note 5); and
- (viii) Legal charge over the leasehold properties of a subsidiary (Note 5).

The bank overdrafts bear effective interest at rates ranging from 5.70% to 7.20% (2023: 6.70% to 7.20%) per annum.

NOTES TO THE FINANCIAL STATEMENTS (CONTD.)

23. LOANS AND BORROWINGS (CONTD.)

(e) Medium term notes

On 26 September 2018, a wholly-owned subsidiary of the Company, Uzma Integrasi Padu Berhad ("UIPB") issued Sukuk Wakalah of RM250,000,000 in nominal value under the Sukuk Wakalah Programme. The Sukuk Wakalah bears interest at rate of 5.60% (2023: 5.60%) per annum over tenure of 2.5 to 7 years.

The Sukuk Wakalah is secured by way of:

- (i) Specific debenture by a subsidiary over D18 Contracts' proceeds;
- (ii) Assignment of Takaful/Insurance by a subsidiary in relation to D18 Contracts; and
- (iii) Vessel mortgage by a subsidiary.

On 31 October 2023, Uzma Integrasi Padu had made a full redemption of sukuk under its Sukuk Wakalah Programme.

24. LEASE LIABILITIES

	Group		Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Non-current:				
Lease liabilities	13,512	12,580	-	20
Current:				
Lease liabilities	3,656	5,978	16	76
	17,168	18,558	16	96

The incremental borrowing rates applied to the lease liabilities ranging from 2.50% to 7.32% (2023: 2.50% to 7.32%) per annum.

Future minimum lease payments under leases together with the present value of net minimum lease payments are as follows:

	Group		Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Future minimum lease payments	24,039	25,149	20	100
Less: Future finance charges	(6,871)	(6,591)	(4)	(4)
Total present value of minimum lease payments	17,168	18,558	16	96

NOTES TO THE FINANCIAL STATEMENTS (CONTD.)

24. LEASE LIABILITIES (CONTD.)

	2024 RM'000	2023 RM'000
Group		
Payable within one year		
Future minimum lease payments	4,721	7,103
Less: Future finance charges	(742)	(1,125)
Present value of minimum lease payments	3,979	5,978
Payable more than 1 year but not more than 5 years		
Future minimum lease payments	9,217	7,626
Less: Future finance charges	(2,400)	(1,792)
Present value of minimum lease payments	6,817	5,834
Payable more than 5 years		
Future minimum lease payments	10,101	10,420
Less: Future finance charges	(3,729)	(3,674)
Present value of minimum lease payments	6,372	6,746
Total present value of minimum lease payments	17,168	18,558
Company		
Payable within one year		
Future minimum lease payments	20	80
Less: Future finance charges	(4)	(4)
Total present value of minimum lease payments	16	76
Payable more than 1 year but not more than 5 years		
Future minimum lease payments	-	20
Less: Future finance charges	-	-
Present value of minimum lease payments	-	20
Present value of minimum lease payments	16	96

NOTES TO THE FINANCIAL STATEMENTS (CONTD.)

25. TRADE AND OTHER PAYABLES

	Note	Group		Company	
		2024 RM'000	2023 RM'000 Restated	2024 RM'000	2023 RM'000
Non-current:					
Trade payables					
- Third party		12,850	23,540	-	-
Current:					
Trade payables					
Third parties		88,134	112,588	-	-
Related parties		-	8,253	-	-
Accruals		6,575	6,206	-	-
(a)		94,709	127,047	-	-
Other payables					
Other payables		18,766	76,468	1,849	2,144
Contingent consideration		2,525	2,525	-	-
Accruals		29,328	11,936	3,948	3,067
Amounts owing to subsidiaries	(b)	-	-	18,334	34,150
Amount owing to a director	(c)	-	81	-	-
Amounts owing to non-controlling interest	(d)	10,037	9,117	-	-
Amount owing to an associate	(e)	-	401	-	-
		60,656	100,528	24,131	39,361
Total trade and other payables (current)					
		155,365	227,575	24,131	39,361
Total trade and other payables (non-current and current)					
		168,215	251,115	24,131	39,361

- (a) Trade payables of the Group are non-interest bearing and the normal trade credit terms granted to the Group ranging from 7 to 120 days (2023: 7 to 120 days).
- (b) Amounts owing to subsidiaries of the Company are non-trade in nature, unsecured, interest-free and repayable upon demand in cash.
- (c) Amount owing to a director of the Group and of the Company is non-trade in nature, unsecured, interest-free and repayable upon demand in cash.
- (d) Amounts owing to non-controlling interest are non-trade in nature, unsecured, interest-free and repayable upon demand in cash.
- (e) Amounts owing to an associate are non-trade in nature, unsecured, interest-free and repayable upon demand in cash.

For further explanation on the Group's and the Company's liquidity risk management processes, refer to Note 34(b).

NOTES TO THE FINANCIAL STATEMENTS (CONTD.)

26. POST EMPLOYMENT BENEFIT LIABILITIES

	Group	
	2024 RM'000	2023 RM'000
At 1 July	2,619	2,744
Recognised in profit or loss (Note 30)	644	228
Paid during the financial year	(266)	(530)
Actuarial gain recognised in other comprehensive income	45	44
Translation differences	(178)	133
At 30 June	2,864	2,619

- (a) This is in respect of provision for employees' benefits related to retirement, separation fee, service fee, compensation payments and other benefits recognised.
- (b) The provision is made based on the actuarial valuation performed by an independent actuary using the projected unit credit method.
- (c) Principal actuarial assumptions used at the reporting date are as follows:

	Group	
	2024	2023
Discount rate	7.09%	6.71%
Normal retirement age	56 years	56 years
Salary increase rate	5%	5%

Assumptions on future mortality are determined based on the published past statistics and actual experience. The measurements assume an average life expectancy of 39 years for an employee retiring at age 56.

Sensitivity analysis

The sensitivity analysis of the defined benefit obligation to the significant actuarial assumptions at the end of the reporting period are shown below:

Group	Reasonably possible change in assumption	Effect on defined benefit obligation	
		Increase RM'000	Decrease RM'000
2024			
Discount rate	1.0%	(23)	26
Future salary growth	1.0%	26	(23)
2023			
Discount rate	1.0%	(24)	28
Future salary growth	1.0%	27	(24)

The sensitivity analysis above have been determined based on a method that extrapolates the impact on defined benefit obligation as a result of reasonable changes in significant actuarial assumptions occurring at the end of reporting period.

NOTES TO THE FINANCIAL STATEMENTS (CONTD.)

27. DEFERRED INCOME

Non-current:
Government grants:

At 1 July
Amortisation (Note 29)

At 30 June

Group	
2024 RM'000	2023 RM'000 Restated
13,614	14,862
(1,665)	(1,248)
11,949	13,614

Government grants relates to assets

Government grants have been received for the purchase of certain items of property, plant and equipment by a subsidiary. There are no unfulfilled conditions or contingencies attached to these grants.

28. REVENUE

	Group		Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Revenue from contract with customers:				
At a point in time				
Sales of goods	229,130	181,037	-	-
Dividend income	-	-	16,750	7,636
	229,130	181,037	16,750	7,636
Overtime				
Services rendered	332,461	218,793	-	-
Management fee	-	-	18,237	14,981
	332,461	218,793	18,237	14,981
Revenue from other source:				
Rental income	38,757	73,945	-	-
	600,348	473,775	34,987	22,617

The revenue by geographical segments are disclosed in Note 37 (g).

NOTES TO THE FINANCIAL STATEMENTS (CONTD.)

29. OTHER INCOME

	Group		Company	
	2024 RM'000	2023 RM'000 Restated	2024 RM'000	2023 RM'000
Interest income	1,099	631	149	140
Interest income - intercompany	-	-	2,095	-
Gain on disposal of subsidiary	480	-	494	-
Gain on disposal of associate	1,233	-	3,627	-
Gain on disposal of fixed asset	373	-	-	-
Amortisation of government grant	1,665	1,248	-	-
Others	3,064	225	4	7
	7,914	2,104	6,369	147

30. PROFIT BEFORE TAXATION

Other than disclosed elsewhere in the financial statements, the following items have been charged/(credited) in arriving at profit before tax:

	Group		Company	
	2024 RM'000	2023 RM'000 Restated	2024 RM'000	2023 RM'000
Auditors' remuneration:				
- statutory audit				
- current year	622	604	170	170
- non-statutory audit				
- current year	13	12	10	12
Amortisation of government grant	(1,665)	(1,248)	-	-
Amortisation of intangible assets	4,353	4,098	-	-
Bad debts written off	16	-	-	-
Depreciation of property, plant and equipment	43,827	43,935	420	425
Depreciation of right-of-use assets	5,872	5,211	69	68
Directors' remuneration (Note (a))	9,820	6,906	6,076	3,485
Employee benefits expenses (Note (b))	54,305	55,871	9,756	8,106
(Gain)/Loss on disposal of property, plant and equipment	(373)	5	-	-
(Gain)/Loss on lease modification	(231)	49	-	-
Loss on derecognition of lease	50	-	-	-
Expected credit losses/(reversal of expected credit losses) on:				
- trade receivables	34	1,513	-	-
- other receivables	4,454	(3,340)	-	-
Impairment on:				
- investment in subsidiaries	-	-	-	1,415

NOTES TO THE FINANCIAL STATEMENTS (CONTD.)

30. PROFIT BEFORE TAXATION (CONTD.)

Other than disclosed elsewhere in the financial statements, the following items have been charged/(credited) in arriving at profit before tax: (Contd.)

	Group		Company	
	2024 RM'000	2023 RM'000 Restated	2024 RM'000	2023 RM'000
Interest expense:	20,450	18,192	6,048	4,225
- bank overdrafts	2,451	2,681	737	734
- invoice financing	405	750	-	-
- lease liabilities	357	995	-	8
- medium term notes	2,228	7,563	-	-
- revolving credit	1,650	1,103	654	395
- term loans	12,412	4,539	4,657	3,088
- others	947	561	-	-
Dividend income	-	-	(16,750)	(7,636)
Interest income:	(1,099)	(631)	(149)	(140)
- deposits	(1,099)	(631)	-	-
- others	-	-	(149)	(140)
Inventories written off	-	341	-	-
Inventories written down	-	24	-	-
Inventories written back	(12)	(128)	-	-
Gain on disposal of a subsidiary	(480)	-	(494)	-
Gain on disposal of an associate	(1,233)	-	(3,627)	-
Net loss on foreign exchange:				
- realised	1,622	-	20	-
- unrealised	561	381	-	-
Other investment written off	-	3,975	-	-
Provision for post employment benefits	644	228	-	-
Expenses relating to short-term leases:				
- office equipment	70	153	71	64
- premises	500	691	-	-
- office	11	42	1,277	1,183
- warehouses	1,731	3,911	-	-
- forklift, cranes and others	19,915	18,930	-	-
- car park	107	76	66	62
- motor vehicles	468	201	-	-
Share of results in associates, net of tax	(17)	(2,353)	-	-

NOTES TO THE FINANCIAL STATEMENTS (CONTD.)

30. PROFIT BEFORE TAXATION (CONTD.)

- (a) The aggregate amount of emoluments received and receivable by the directors of the Group and the Company during the financial year are as follows:

	Group		Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Directors of the Company				
Executive Directors:				
- fees	60	-	-	-
- salaries, bonus and other benefits	4,559	2,460	3,225	1,322
- defined contribution plans	503	355	361	163
	5,122	2,815	3,586	1,485
Non-executive Directors:				
- fees	864	636	864	636
- salaries, bonus and other benefits	90	34	90	34
	954	670	954	670
Directors of the subsidiaries				
Executive Directors:				
- fees	30	79	60	-
- salaries, bonus and other benefits	3,350	3,000	1,334	1,138
- defined contribution plans	364	342	142	192
	3,744	3,421	1,536	1,330
Directors of the subsidiaries				
Executive Directors:	9,820	6,906	6,076	3,485

The analysis of the director's remuneration is as follows:

	Group		Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Recognised in profit or loss	9,820	6,906	6,076	3,485
Capitalised as property, plant and equipment (Note 5)	1,952	594	-	-
	11,772	7,500	6,076	3,485

NOTES TO THE FINANCIAL STATEMENTS (CONTD.)

30. PROFIT BEFORE TAXATION (CONTD.)

(b) Employee benefits expenses are:

	Group		Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Salaries, wages, bonuses, allowances and other benefits	51,062	51,446	8,791	7,332
Defined contribution plans	3,243	4,425	965	774
	54,305	55,871	9,756	8,106

The analysis of the employee benefits expenses is as follows:

	Group		Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Recognised in profit or loss	54,305	55,871	9,756	8,106
Capitalised as property, plant and equipment (Note 5)	696	767	-	-
Capitalised as intangible assets (Note 7)	845	410	-	-
	55,846	57,048	9,756	8,106

31. TAXATION

	Group		Company	
	2024 RM'000	2023 RM'000 Restated	2024 RM'000	2023 RM'000
Statements of comprehensive income				
Current income tax:				
- current income tax charge	9,195	5,543	246	41
- Under/(over) provision in prior years	1,034	(506)	644	(172)
	10,229	5,037	890	(131)
Deferred tax (Note 11):				
- (Reversal)/Origination of temporary differences	(7,535)	9,890	(312)	(96)
- Under/(Over) provision of deferred tax in prior years	3,963	(9,054)	(714)	(46)
	(3,572)	836	(1,026)	(142)
	6,657	5,873	(136)	(273)

NOTES TO THE FINANCIAL STATEMENTS (CONTD.)

31. TAXATION (CONTD.)

Domestic income tax is calculated at the Malaysian statutory income tax rate of 24% (2023: 24%) of the estimated assessable profit for the financial year.

	Group		Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Profit before tax	61,124	43,954	13,685	729
Tax at Malaysian statutory income tax rate of 24%	14,670	10,549	3,284	175
Tax effects arising from:				
- non-deductible expenses	11,674	7,477	1,659	1,603
- non-taxable income	(230)	(2,717)	(5,009)	(1,833)
Effect of different tax rates in foreign jurisdictions	(206)	(673)	-	-
Deferred tax assets recognised	(4,565)	-	-	-
Deferred tax assets not recognised during the financial year	57	797	-	-
Utilisation of deferred tax assets not recognised in the previous financial years	(19,740)	-	-	-
Under/(Over) provision in prior years:				
- income tax	1,034	(506)	644	(172)
- deferred tax	3,963	(9,054)	(714)	(46)
	6,657	5,873	(136)	(273)

32. EARNINGS PER SHARE

Basic earnings per ordinary share

Basic earnings per share are based on the profit for the financial year attributable to owners of the Company and the weighted average number of ordinary shares outstanding during the financial year, calculated as follows:

	Group	
	2024 RM'000	2023 RM'000 Restated
Profit attributable to owners of the Company	50,081	36,679
Distribution to holders of perpetual sukuk	(6,906)	(3,114)
	43,175	33,565

NOTES TO THE FINANCIAL STATEMENTS (CONTD.)

32. EARNINGS PER SHARE (CONTD.)

Basic earnings per ordinary share (Contd.)

	Group	
	2024 RM'000	2023 RM'000 Restated
Weighted average number of ordinary shares for basic earnings per share	386,916	352,031
Basic earnings per ordinary share (sen)	11.16	9.53

Diluted earnings per ordinary share

The diluted earnings per ordinary share of the Group for the financial year ended 30 June 2024 and financial year ended 30 June 2023 are same as the basic earnings per ordinary share of the Group as the Company has no dilutive potential ordinary shares.

33. FINANCIAL INSTRUMENTS

(a) Categories of financial instruments

The following table analyses the financial instruments in the statements of financial position by the classes of financial instruments to which they are assigned:

- (i) Amortised cost ("AC")
- (ii) Fair value through profit or loss ("FVPL")
- (iii) Fair value through other comprehensive income ("FVOCI")

	Carrying amount RM'000	AC RM'000	FVPL RM'000	FVOCI RM'000
2024				
Financial assets				
Group				
Trade and other receivables, excluding of GST refundable, advances to sub-contractors and prepayments	142,156	142,156	-	-
Other investments	127	-	22	105
Deposits, cash and bank balances	132,301	132,301	-	-
Contract assets	77,565	77,565	-	-
	352,149	352,022	22	105

NOTES TO THE FINANCIAL STATEMENTS (CONTD.)

33. FINANCIAL INSTRUMENTS (CONTD.)

(a) Categories of financial instruments (Contd.)

	Carrying amount RM'000	AC RM'000	FVPL RM'000	FVOCI RM'000
2024				
Financial assets				
Company				
Trade and other receivables, excluding GST refundable, advances to sub-contractors and prepayments	116,781	116,781	-	-
Other investments	150	-	150	-
Deposits, cash and bank balances	14,108	14,108	-	-
Contract assets	101,390	101,390	-	-
	232,429	232,279	150	-
Financial liabilities				
Group				
Loans and borrowings	618,054	618,054	-	-
Trade and other payables	168,215	168,215	-	-
	786,269	786,269	-	-
Company				
Loans and borrowings	101,784	101,784	-	-
Trade and other payables	24,061	24,061	-	-
	125,845	125,845	-	-
2023				
Financial assets				
Group				
Trade and other receivables, excluding of GST refundable, advances to sub-contractors and prepayments	232,705	232,705	-	-
Other investments	362	-	257	105
Deposits, cash and bank balances	95,836	95,836	-	-
	328,903	328,541	257	105

NOTES TO THE FINANCIAL STATEMENTS (CONTD.)

33. FINANCIAL INSTRUMENTS (CONTD.)

(a) Categories of financial instruments (Contd.)

	Carrying amount RM'000	AC RM'000	FVPL RM'000	FVOCI RM'000
2023				
Financial assets				
Company				
Trade and other receivables, excluding of GST refundable, advances to sub-contractors and prepayments	76,766	76,766	-	-
Other investments	146	-	146	-
Deposits, cash and bank balances	13,260	13,260	-	-
	90,172	90,026	146	-
Financial liabilities				
Group				
Loans and borrowings	362,560	362,560	-	-
Trade and other payables	251,115	251,115	-	-
	613,675	613,675	-	-
Company				
Loans and borrowings	89,421	89,421	-	-
Trade and other payables	39,361	39,361	-	-
	128,782	128,782	-	-

(b) Fair value of financial instruments

The carrying amounts of deposits, cash and bank balances, short-term receivables and payables are reasonable approximation to their fair values due to relatively short-term nature of these financial instruments.

The fair values of long-term receivables and payables are estimated using the discounted cash flows method based on discount rates that reflects the issuer's borrowing rate as at the end of the reporting period.

The carrying amount of long-term and short-term floating rate borrowings approximates their fair value as the borrowings will be re-priced to market interest rate on or near reporting date.

The fair values of other investments are determined by reference to the redemption price at the end of the reporting period. There have been no transfers between Level 1 and Level 2 during the financial year (2023: no transfer in either directions).

NOTES TO THE FINANCIAL STATEMENTS (CONTD.)

33. FINANCIAL INSTRUMENTS (CONTD.)

(b) Fair value of financial instruments (Contd.)

Level 3 fair value

Fair value of financial instruments carried at fair value

The fair value of unquoted investments has been estimated based on adjusted net assets. This method involves deriving the fair value of the investee's equity instruments by reference to the fair value of its assets and liabilities with appropriate adjustment and is used in the management's estimate of fair value for these unquoted equity instruments.

Fair value of financial instruments not carried at fair value

The fair value of amounts owing by subsidiaries are determined using the discounted cash flows method based on discount rates that reflects the issuer's borrowing rate as at the end of the reporting period.

34. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Group's and the Company's activities are exposed to a variety of financial risks arising from their operations and the use of financial instruments. The key financial risks include credit risk, liquidity risk, foreign currency risk and interest rate risk. The Group's and the Company's overall financial risk management objective is to optimise value for their shareholders.

The Board of Directors reviews and agrees policies and procedures for managing each of these risks and they are summarised below.

(a) Credit risk

Credit risk is the risk of financial loss that may arise on outstanding financial instruments should a counterparty default on its obligations. The Group and the Company are exposed to the credit risk arises primarily from trade and other receivables. For cash and bank balances and deposits with licensed bank, the Group and the Company minimise credit risk by dealing exclusively with high credit rating financial institutions.

The Group's and the Company's objective is to seek continual revenue growth while minimising losses incurred due to increased credit risk exposure. The Group trades only with recognised and creditworthy third parties. In addition, receivables balances are monitored on an on-going basis with the result that the Group's and the Company's exposure to bad debt is not significant.

Trade receivables and contract assets

At the reporting date, the maximum exposure to credit risk arising from trade receivables and contract assets is represented by the carrying amounts in the statements of financial position.

The carrying amount of trade receivables and contract assets are not secured by any collateral or supported by any other credit enhancements. In determining the recoverability of these receivables, the Group considers any change in the credit quality of the receivables from the date the credit was initially granted up to the reporting date. The Group has adopted a policy of dealing with creditworthy counterparties as a means of mitigating the risk of financial loss from defaults.

Credit risk concentration profile

At the end of the reporting period, approximately 57% (2023: 56%) of the Group trade receivables was due from four (2023: four) major customers.

The Group applies the simplified approach to providing for impairment losses prescribed by MFRS 9, which permits the use of the lifetime expected credit loss provision for all trade receivables and contract assets. To measure the impairment losses, trade receivables have been grouped based on the days past due.

NOTES TO THE FINANCIAL STATEMENTS (CONTD.)

34. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTD.)

(a) Credit risk (Contd.)

Trade receivables and contract assets (Contd.)

Credit risk concentration profile (Contd.)

	Expected credit loss rate %	Gross carrying amount at default RM'000	Impairment losses RM'000
Group 2024			
Contract assets	0%	77,565	-
Trade receivables			
Current	0%	60,164	-
1 to 30 days past due	0%	3,865	-
31 to 60 days past due	0%	682	-
61 to 90 days past due	0%	382	-
More than 91 days past due	0%	42,796	34
		107,889	34
Impaired - individually		(20,345)	20,311
		87,544	20,345
		165,109	20,345
Group 2023			
Contract assets	0%	101,837	-
Trade receivables			
Current	0%	141,295	57
1 to 30 days past due	0%	4,958	2
31 to 60 days past due	0%	2,479	1
61 to 90 days past due	0%	27,267	11
More than 91 days past due	0%	9,453	12
		185,452	83
Impaired - individually		20,228	20,228
		205,680	20,311
		307,517	20,311

Other receivables and other financial assets

For other receivables and other financial assets (including deposits, cash and bank balances), the Group and the Company minimise credit risk by dealing exclusively with high credit rating counterparties. At the reporting date, the Group's and the Company's maximum exposure to credit risk arising from other receivables and other financial assets is represented by the carrying amount of each class of financial assets recognised in the statements of financial position.

NOTES TO THE FINANCIAL STATEMENTS (CONTD.)

34. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTD.)

(a) Credit risk (Contd.)

The Group and the Company consider the probability of default upon initial recognition of asset and whether there has been a significant increase in credit risk on an ongoing basis throughout each reporting period. To assess whether there is a significant increase in credit risk the Group and the Company compare the risk of a default occurring on the asset as at the reporting date with the risk of default as at the date of initial recognition. It considers available reasonable and supportive forward-looking information. The following indicators are incorporated, amongst others:

- internal credit rating;
- external credit rating (as far as available);
- actual or expected significant adverse changes in business, financial or economic conditions that are expected to cause a significant change to the borrower's ability to meet its obligations;
- actual or expected significant changes in the operating results of the borrower;
- significant increases in credit risk on other financial instruments of the same borrower;
- significant changes in the value of the collateral supporting the obligation or in the quality of third-party guarantees or credit enhancements; and
- significant changes in the expected performance and behaviour of the borrower, including changes in the payment status of borrowers in the group and changes in the operating results of the borrower.

Regardless of the analysis above, a significant increase in credit risk is presumed if a debtor is more than 30 days past due from the credit term in making a contractual payment.

Some intercompany loans between the entities are repayable on demand. For loans that are repayable on demand, impairment losses are assessed based on the assumption that repayment of the loan is demanded at the reporting date. If the borrower does not have sufficient highly liquid resources when the loan is demanded, the Group and the Company will consider the expected manner of recovery and recovery period of the intercompany loan.

As at the end of the reporting date, the Group and the Company consider the other receivables and other financial assets as low credit risk and any loss allowance would be negligible. Refer to Note 3.10(a) for the Group's and the Company's other accounting policies for impairment of financial assets.

Financial guarantee contracts

The Company is exposed to credit risk in relation to financial guarantees given to banks in respect of loans granted to certain subsidiaries. The Company monitors the results of the subsidiaries and their repayment on an on-going basis. The maximum exposure to credit risks is representing by the maximum amount the Company could pay if the guarantee is called on is disclosed in Note 33(b). As at the reporting date, there was no loss allowance for expected credit losses as determined by the Company for the financial guarantee.

The financial guarantees have not been recognised since the fair value on initial recognition was not material.

(b) Liquidity risk

Liquidity risk is the risk that the Group or the Company will encounter difficulty in meeting financial obligations when they fall due. The Group's and the Company's exposure to liquidity risk arises principally from its trade and other payables, loans and borrowings.

The Group and the Company maintain a level of cash and cash equivalents and bank facilities deemed adequate by the management to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they fall due.

NOTES TO THE FINANCIAL STATEMENTS (CONTD.)

34. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTD.)

(b) Liquidity risk (Contd.)

Maturity analysis

The maturity analysis of the Group's and the Company's financial liabilities by their relevant maturity at the reporting date are based on contractual undiscounted repayment obligations are as follows:

	Contractual undiscounted cash flows				
	Carrying amount RM'000	On demand or within 1 year RM'000	Between 1 to 5 years RM'000	More than 5 years RM'000	Total RM'000
2024					
Group					
Financial liabilities					
Trade and other payables	168,215	155,365	12,850	-	168,215
Term loans	438,114	112,535	335,837	157,414	605,786
Lease liabilities	17,168	4,721	8,737	10,581	24,039
Revolving credit	117,180	117,180	-	-	117,180
Invoice financing	57,621	57,621	-	-	57,621
Bank overdrafts	5,139	5,139	-	-	5,139
	803,437	452,561	357,424	167,995	977,980
Company					
Financial liabilities					
Trade and other payables	24,061	24,061	-	-	24,061
Term loans	84,278	23,706	66,626	-	90,332
Lease liabilities	16	20	-	-	20
Revolving credit	17,506	17,506	-	-	17,506
Financial guarantee contracts	-	706,919	-	-	706,919
	125,861	772,212	66,626	-	838,838

NOTES TO THE FINANCIAL STATEMENTS (CONTD.)

34. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTD.)

(b) Liquidity risk (Contd.)

Maturity analysis (Contd.)

The maturity analysis of the Group's and the Company's financial liabilities by their relevant maturity at the reporting date are based on contractual undiscounted repayment obligations are as follows: (Contd.)

	Contractual undiscounted cash flows				
	Carrying amount RM'000	On demand or within 1 year RM'000	Between 1 to 5 years RM'000	More than 5 years RM'000	Total RM'000
2023					
Group					
Financial liabilities					
Trade and other payables	251,115	227,575	23,540	-	251,115
Term loans	108,819	57,461	82,987	7,931	148,379
Lease liabilities	18,558	7,103	7,626	10,420	25,149
Revolving credit	39,889	39,889	-	-	39,889
Invoice financing	46,579	46,579	-	-	46,579
Bank overdrafts	43,130	43,130	-	-	43,130
Medium term notes	124,143	50,000	75,000	-	125,000
	632,233	471,737	189,153	18,351	679,241
Company					
Financial liabilities					
Trade and other payables	39,361	39,361	-	-	39,361
Term loans	59,095	15,656	51,236	-	66,892
Lease liabilities	96	80	20	-	100
Revolving credit	16,566	16,656	-	-	16,656
Bank overdrafts	13,760	13,760	-	-	13,760
Financial guarantee contracts	-	449,947	-	-	449,947
	128,878	535,460	51,256	-	586,716

(c) Foreign currency risk

Foreign currency risk is the risk of fluctuation in fair value or future cash flows of a financial instrument as a result of changes in foreign exchange rates. The Group's exposure to the risk of changes in foreign exchange rates relates primarily to the Group's operating activities (when sales, purchases, deposits with licensed banks and borrowings that are denominated in a foreign currency) and the Group's net investments in foreign subsidiaries. The foreign currency in which these transactions are denominated is mainly United States Dollar ("USD").

The Group does not use any forward contracts to hedge against its exposure to foreign currency risk as the foreign exchange exposure in transactional currencies other than functional currency of the Group are kept to an acceptable level.

NOTES TO THE FINANCIAL STATEMENTS (CONTD.)

34. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTD.)

(c) Foreign currency risk (Contd.)

The Group's unhedged financial assets and liabilities that are not denominated in their functional currencies are as follows:

	Group
	USD RM'000
2024	
Trade and other receivables	10,479
Cash and cash equivalents	67
Trade and other payables	(17,171)
	(6,625)
2023	
Trade and other receivables	3,058
Cash and cash equivalents	228
Loans and borrowings	(10,597)
Trade and other payables	(683)
	(7,994)

Sensitivity analysis for foreign currency risk

The following table demonstrates the sensitivity to a reasonably possible change in the USD, with all the variables held constant on the Group's profit/(loss) for the financial year.

	Group Effect on profit for the financial year	
	2024 RM'000	2023 RM'000
USD /RM		
- strengthen by 10% (2023: 10%)	(873)	(608)
- weaken by 10% (2023: 10%)	873	608

(d) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of the Group's and the Company's financial instruments will fluctuate because of changes in market interest rates.

The Group's and the Company's exposure to interest rate risk arises primarily from:

(i) Interest bearing financial assets

Cash deposits are short-term in nature and are not held for speculative purposes.

The Group and the Company manage its interest rate yield by prudently placing deposits with varying maturity periods.

(ii) Interest bearing financial liabilities

The Group and the Company manage their interest rate exposure by maintaining a prudent mix of fixed and floating borrowings. The Group and the Company actively review their debt portfolio, taking into account the investment holding period and the nature of its assets. This strategy allows them to capitalise on cheaper funding in a low interest rate environment and achieve a certain level of protection against rate hikes.

NOTES TO THE FINANCIAL STATEMENTS (CONTD.)

34. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTD.)

(d) Interest rate risk (Contd.)

Sensitivity analysis for interest rate risk

As at the reporting date, if interest rates had been 100 basis points lower/higher, with all other variables held constant, the Group's and the Company's profit/(loss) net of tax would have been RM3,319,000 (2023: RM3,065,000) and RM941,000 (2023: RM690,000) higher/lower respectively, arising mainly as a result of lower/higher interest expense on floating rate loans and borrowings. The assumed movement in basis points for interest rate sensitivity analysis is based on the current observable market environment.

35. CAPITAL COMMITMENTS

The Group has made commitments for the following capital expenditure:

Group and Company	
2024 RM'000	2023 RM'000
Property, plant and equipment	
- approved and contracted for	132,452
- approved and not contracted for	854
	81,515
	-
	213,967
	854

36. RELATED PARTIES

(a) Identity of related parties

Parties are considered to be related to the Group if the Group has the ability, directly or indirectly, to control the party or exercise significant influence over the party in making financial and operational decisions, or vice versa, or where the Group and the party are subject to common control. Related parties may be individuals or other entities.

The Group and the Company have related party relationship with their subsidiaries, associates, joint ventures, related parties, directors of the Company and key management personnel. Related parties of the Group are as follows:

Related parties	
CTI Chemicals Asia Pacific Pte. Ltd.	A company in which a director of a subsidiary (Malaysian Energy Chemical & Services Sdn. Bhd.) is a director and has substantial financial interest
ChampionX SG Service Pte. Ltd.	A company in which a director of a subsidiary (Malaysian Energy Chemical & Services Sdn. Bhd.) is a director and has substantial financial interest
Perf Maestro (M) Sdn. Bhd.	A corporate shareholder of a subsidiary (Uzma Artificial Lift Sdn. Bhd.)
Dimensi Projaya Sdn. Bhd.	A corporate shareholder of a subsidiary (Setegap Ventures Petroleum Sdn. Bhd.)

NOTES TO THE FINANCIAL STATEMENTS (CONTD.)

36. RELATED PARTIES (CONTD.)

(b) Significant related party transactions

Significant related party transactions other than disclosed elsewhere in the financial statements are as follows:

	Group		Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Subsidiaries				
Dividend income received/ receivable	-	-	(16,750)	(7,636)
Management fees received/ receivable	-	-	(18,237)	(14,981)
Rental expenses paid/payable	-	-	1,277	1,183
Entities in which Directors have substantial interests				
Service fee received/receivable	(5,634)	(3,687)	-	-
Purchases paid/payable	82,243	18,960	-	-
Associate				
Dividend received/receivable	-	(1,236)	-	-
Corporate shareholder of subsidiaries				
Dividend paid/payable	2,139	1,106	-	-

Significant outstanding balances with related parties at the end of the reporting period are as disclosed in Notes 12 and Note 25 to the financial statements.

The Company provides secured corporate guarantees to banks in respect of banking facilities granted to the subsidiaries as disclosed in Note 34(b).

Key management personnel include personnel having authority and responsibility for planning, directing and controlling the activities of the entities, directly or indirectly, including any director of the Group and of the Company.

NOTES TO THE FINANCIAL STATEMENTS (CONTD.)

36. RELATED PARTIES (CONTD.)

(c) Compensation of key management personnel

The remuneration of the key management personnel is as follows:

	Group		Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Directors of the Company				
Executive Directors:				
- fees	60	-	-	-
- salaries, bonus and other benefits	4,559	2,460	3,225	1,322
- defined contribution plans	503	355	361	163
	5,122	2,815	3,586	1,485
Non-executive Directors:				
- fees	864	636	864	636
- salaries, bonus and other benefits	90	34	90	34
	954	670	954	670
Directors of the subsidiaries				
Executive Directors:				
- fees	30	79	60	-
- salaries, bonus and other benefits	3,350	3,000	1,334	1,138
- defined contribution plans	364	342	142	192
	3,744	3,421	1,536	1,330
Total directors' remuneration	9,820	6,906	6,076	3,485
Other key management personnel				
Short-term employee benefits	3,496	2,995	2,152	1,931
Defined contribution plans	408	331	219	194
	3,904	3,326	2,371	2,125
	13,724	10,232	8,447	5,610

NOTES TO THE FINANCIAL STATEMENTS (CONTD.)

37. SEGMENT INFORMATION

The Group prepared the following segment information in accordance with MFRS 8 Operating Segments based on the internal management reports of the Group's strategic business units which are regularly reviewed by the Group's Chief Executive Officer ("CEO") for the purpose of making decisions about resource allocation and performance assessment.

The three reportable operating segments are as follows:

Segments	Products and services
O&G upstream services	Provision of geoscience and reservoir engineering, drilling, project and operation services, and other specialised services within oil and gas industry.
Trading/Other O&G services	Manufacturing, marketing, distribution and supply of oilfield chemicals, petrochemical and chemical products, equipment and services.
Others	New energy, digitalisation and tech and investment holding.

Inter-segment pricing is determined at arm's length basis.

Segment profit

Segment performance is used to measure performance as Group's Chief Executive Officer believes that such information is most relevant in evaluating the results of certain segments relative to other entities that operate within these industries. Performance is evaluated based on operating profit or loss which is measure differently from operating profit or loss in the consolidated financial statements.

Segment assets

The total of segment assets is measured based on all assets (excluding investment in associates and joint ventures) of a segment, as included in the internal management reports that are reviewed by the Group's Chief Executive Officer.

Segment liabilities

The total of segment liabilities is measured based on all liabilities (excluding deferred tax liabilities) of a segment, as included in the internal management reports that are reviewed by the Group's Chief Executive Officer.

NOTES TO THE FINANCIAL STATEMENTS (CONTD.)

37. SEGMENT INFORMATION (CONTD.)

Group	Note	O&G Upstream Services RM'000	Trading/ Other O&G Services RM'000	Others RM'000	Adjustments and eliminations RM'000	Consolidated RM'000
2024						
Revenue:						
Revenue from external customers		457,786	160,141	1,856	(19,435)	600,348
Inter-segment revenue	(a)	38,770	1,354	43,517	(83,641)	-
		496,556	161,495	45,373	(103,076)	600,348
Results:						
<i>Included in the measure of segment profit/(loss) are:</i>						
Interest income	(a)	1,041	304	4,579	(4,825)	1,099
Finance costs	(a)	(16,365)	(38)	(8,371)	4,324	(20,450)
Depreciation and amortisation		(48,834)	(265)	(895)	(4,058)	(54,052)
Amortisation of government grant		1,665	-	-	-	1,665
Other non-cash (expense)/income	(b)	13,818	93	(4,285)	(6,031)	3,595
<i>Not included in the measure of segment profit/(loss) but provided to Group's CEO are:</i>						
Share of results of associates, net of tax		-	-	-	17	17
Segment profit/(loss) after tax	(c)	54,732	5,383	26,373	(32,021)	54,467
Assets:						
Investment in associates		-	-	4,890	2,170	7,060
Additions to non-current assets	(d)	92,293	132	219,574	(2,345)	309,654
Segment assets	(e)	1,847,757	148,867	1,177,987	(1,654,237)	1,520,374
Liabilities:						
Segment liabilities	(f)	1,272,899	110,669	730,065	(1,238,116)	875,517

NOTES TO THE FINANCIAL STATEMENTS (CONTD.)

37. SEGMENT INFORMATION (CONTD.)

Group	Note	O&G Upstream Services RM'000	Trading/ Other O&G Services RM'000	Others RM'000	Adjustments and eliminations RM'000	Consolidated RM'000
2023						
Revenue:						
Revenue from external customers		339,972	133,086	717	-	473,775
Inter-segment revenue	(a)	51,176	-	25,725	(76,901)	-
		391,148	133,086	26,442	(76,901)	473,775
Results:						
<i>Included in the measure of segment profit/(loss) are:</i>						
Interest income	(a)	1,531	338	7,055	(8,293)	631
Finance costs	(a)	(16,650)	(29)	(9,806)	8,293	(18,192)
Depreciation and amortisation		(46,637)	(1,306)	(1,234)	(4,067)	(53,244)
Amortisation of government grant		1,248	-	-	-	1,248
Other non-cash (expense)/income	(b)	2,223	(750)	3,975	(2,449)	2,999
<i>Not included in the measure of segment profit/(loss) but provided to Group's CEO are:</i>						
Share of results of associates, net of tax		-	-	-	2,353	2,353
Segment profit/(loss) after tax	(c)	48,974	2,317	(1,995)	(11,215)	38,081
Assets:						
Investment in associates		-	-	8,280	4,547	12,827
Additions to non-current assets	(d)	61,255	1,619	24,872	-	87,746
Segment assets	(e)	1,045,821	187,041	803,107	(748,871)	1,287,098
Liabilities:						
Segment liabilities	(f)	644,715	123,665	294,612	(339,079)	723,913

NOTES TO THE FINANCIAL STATEMENTS (CONTD.)

37. SEGMENT INFORMATION (CONTD.)

- (a) Inter-segment revenue and interest are eliminated on consolidation.
- (a) Other material non-cash expense/(income) consists of the following items as presented in the respective notes:

	2024 RM'000	2023 RM'000
Gain on disposal of a subsidiary	(480)	-
(Gain)/Loss on disposal of property, plant and equipment	(373)	5
(Gain)/Loss on disposal of associate	(1,233)	-
Other investment written off	-	3,975
Expected credit losses/(reversal of expected credit losses) on:		
- trade receivables	34	1,513
- other receivables	4,454	(3,340)
Inventories written off	-	341
Inventories written down	-	24
Inventories written back	(12)	(128)
Net unrealised loss on foreign exchange	561	381
Provision for post employment benefits	644	228
	3,595	2,999

- (c) Inter-segment transactions eliminated on consolidation.
- (d) Additions to non-current assets (excluding financial instruments, intangible assets and deferred tax assets) consist of:

	2024 RM'000	2023 RM'000
Property, plant and equipment	306,219	80,979
Right-of-use assets	3,435	6,767
	309,654	87,746

- (e) The following items are deducted from segment assets to arrive at total assets reported in the statements of financial position:

	2024 RM'000	2023 RM'000
Investment in associates	2,170	12,827
Inter-segment assets	(1,656,407)	(761,698)
	(1,654,237)	(748,871)

NOTES TO THE FINANCIAL STATEMENTS (CONTD.)

37. SEGMENT INFORMATION (CONTD.)

- (f) The following items are deducted from segment liabilities to arrive at total liabilities reported in the statements of financial position:

	2024 RM'000	2023 RM'000
Deferred tax liabilities	5,218	5,668
Inter-segment liabilities	(1,243,334)	(344,747)
	(1,238,116)	(339,079)

- (g) Geographical information

Revenue information based on the geographical location of subsidiaries is as follows:

	Revenue	
	2024 RM'000	2023 RM'000
Malaysia	513,607	416,154
Outside Malaysia	86,741	57,621
	600,348	473,775

The following is the analysis of non-current assets other than financial instruments and deferred tax assets analysed by the Group's geographical location:

	Non-current assets	
	2024 RM'000	2023 RM'000
Malaysia	806,069	737,322
Outside Malaysia	214,459	47,998
	1,020,528	785,320

NOTES TO THE FINANCIAL STATEMENTS (CONTD.)

37. SEGMENT INFORMATION (CONTD.)

(h) Major customers

Revenue from one (2023: one) customers in services segment represents approximately RM235,606,000 (2023: RM116,875,000) or 39% (2023: 25%) of the Group's revenue.

38. CAPITAL MANAGEMENT

The Group manages its capital to ensure that entities within the Group will be able to maintain an optimal structure so as to support its business and maximise shareholders' value. To achieve this objective, the Group and the Company may make adjustment 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 and the Company manage its capital based on debt-to-equity ratio. The debt-to-equity ratio is calculated as net debt divided by total equity. The Group and the Company include within net debt, loans and borrowings from financial institutions less cash and cash equivalents. Capital includes equity attributable to the owners of the parent and non-controlling interests. The debt-to-equity ratio of the Group and the Company at the end of the reporting period was as follows:

	Group		Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Loans and borrowings	618,054	362,560	101,784	89,421
Lease liabilities	17,168	18,558	16	96
Less: Deposits, cash and bank balances	(132,301)	(95,836)	(14,108)	(13,260)
Net debt	502,921	285,282	87,692	76,257
Total equity	644,857	563,185	415,272	373,221
Gearing ratio	78%	51%	21%	20%

The Group is not subject to any externally imposed capital requirements.

NOTES TO THE FINANCIAL STATEMENTS (CONTD.)

39. SIGNIFICANT EVENTS DURING AND EVENTS SUBSEQUENT TO THE END OF THE FINANCIAL YEAR

(i) Legal Action Involving Uzma Engineering Sdn Bhd ("UESB"), Khan Co., Ltd ("Khan") and Kong Offshore Malaysia Sdn Bhd ("Kong")

(a) Civil suit at the Kuala Lumpur High Court Suit No. WA-22C-24-03/2021 commenced by UESB against Khan and Kong

On 16 March 2021, UESB, a wholly-owned subsidiary of the Company, filed a writ and statement of claim for the claim of sums totalling RM63,135,051.46 against Khan and its Malaysian subsidiary, Kong ("**High Court Suit**") in relation to matters relating to a project known as the Procurement, Construction and Commissioning of KNPG-B Topside Ph II, Kinabalu Non-Associated Gas Development Project ("**Project**").

On 12 April 2021, Kong filed an application to stay the High Court Suit under Section 10 of the Arbitration Act 2005 ("**Kong's Stay Application**").

On 1 March 2022, Khan served a notice of arbitration on UESB to commence arbitration against UESB. UESB filed an injunction application on 25 March 2022 to prevent the arbitration from proceeding ("**Injunction Application**"). Khan subsequently filed a stay application pursuant to Section 10 of the Arbitration Act 2005 ("**Khan's Stay Application**") on 30 June 2022.

On 22 May 2023, the High Court allowed Khan's and Kong's Stay Applications and ordered that all the court proceedings be stayed pending reference of the matter to arbitration. The High Court also dismissed UESB's Injunction Application.

On 23 May 2023, UESB applied for the whole cause or matter to be referred to a sole arbitrator in Malaysia under Section 24A of the Courts of Judicature Act 1964. On 28 July 2023, the High Court dismissed UESB's application.

On 7 June 2023, UESB filed notices of appeal against the High Court's decisions allowing Khan and Kong's Stay Application pending arbitration ("**Appeals 920 and 918**") and dismissing UESB's application for interim injunction against Khan ("**Appeal 919**").

On 13 June 2023, Khan applied to enforce UESB's undertaking as to damages and sought for directions for assessment of damages suffered by Khan arising from UESB's interim injunction application ("**Khan's Application to Enforce UESB's Undertaking**"). On 4 August 2023, the High Court allowed Khan's Application to Enforce UESB's Undertaking.

On 25 August 2023, UESB filed notices of appeal against the High Court's decisions dismissing UESB application under Section 24A of the Courts of Judicature Act 1964 ("**Appeal 1367**") and allowing Khan's Application to Enforce UESB's Undertaking ("**Appeal 1366**").

During the hearing of the Appeal os. 918, 919, 920, and 1367 before the Court of Appeal on 29 February 2024, UESB, Khan and Kong entered into a consent order whereby UESB withdrew the appeals in consideration of all 3 parties referring their disputes to a single arbitration proceeding at the Singapore International Arbitration Centre ("**SIAC**" ("**Consent Order**").

Following the Consent Order, Khan issued a notice to the High Court to inform that it would not be pursuing the assessment of damages and UESB discontinued the Appeal 1366 on 12 March 2024 pursuant to a Notice of Discontinuance.

(b) Arbitration at the SIAC commenced by Khan against UESB (ARB083/22/TEV)

On 1 March 2022, Khan issued a Notice of Arbitration against UESB claiming the sum of USD1,090,218.01 for purported outstanding sums under the letter of award dated 24 August 2016 for the Project.

Following the Consent Order, Khan has withdrawn this arbitration and filed a fresh notice of arbitration against UESB in reliance on the terms of the Consent Order.

This arbitration has been transferred to a new arbitration proceeding under Arbitration No.: ARB284/24/TEV where the parties' disputes are to be dealt with by a single arbitrator in a single arbitration proceeding to be held at the SIAC.

On 13 August 2024, SIAC has closed the initial arbitration.

Please refer to Section 4(i)(d) below for further details of Arbitration No.: ARB284/24/TEV.

NOTES TO THE FINANCIAL STATEMENTS (CONTD.)

39. SIGNIFICANT EVENTS DURING AND EVENTS SUBSEQUENT TO THE END OF THE FINANCIAL YEAR (CONTD.)

(i) Legal Action Involving UESB, Khan and Kong (Contd.)

(c) Arbitration at the SIAC commenced by Kong against UESB (ARB434/23/TEV)

On 6 July 2023, Kong issued a Notice of Arbitration against UESB claiming the sum of RM14,853,498.75 for purported outstanding sums arising from the letter of award dated 24 August 2016 for the Project.

Following the Consent Order, Kong has withdrawn this arbitration on 22 April 2024 and filed a fresh notice of arbitration against UESB in reliance on the terms of the Consent Order.

This arbitration has been transferred to a new arbitration proceeding under Arbitration No.: ARB284/24/TEV where the parties' disputes are to be dealt with by a single arbitrator in a single arbitration proceeding to be held at the SIAC.

On 13 August 2024, SIAC has closed the initial arbitration.

Please refer to Section 4(i)(d) below for further details of Arbitration No.: ARB284/24/TEV.

(d) Arbitration at the SIAC commenced by Khan and Kong against UESB (ARB284/24/TEV)

Following the Consent Order, UESB, Khan and Kong agreed to refer their disputes as detailed in items 4(i)(a) to 4(i)(c) above to a single arbitrator in a single arbitration proceeding to be held at the SIAC under the SIAC Rules of Arbitration, in accordance with the Laws of Malaysia.

On 18 June 2024, the parties jointly wrote to SIAC to register this arbitration based on the terms of the Consent Order ("Consent Order Arbitration").

Consequently, the SIAC on 17 July 2024, registered the Consent Order Arbitration. On 1 August 2024, Khan wrote to the SIAC on the appointment of the arbitrator.

As at the reporting date, the parties are waiting for the appointment of the arbitrator by the SIAC.

Based on the information provided by the parties to the solicitors as at this juncture, the maximum quantum of Khan and Kong's claims payable by UESB to Khan and Kong is in the approximate amount of USD1,090,218.01 and RM35,853,498.75, respectively. On the other hand, the maximum quantum of UESB's claims against Khan and/or Kong receivable by UESB is in the approximate amount of RM63,135,051.46. However, the parties have not exchanged pleadings in the arbitration and as such, the amounts above may be subject to revision after the pleadings are exchanged.

As the parties have not been served the pleadings and documents in respect of their claims, the solicitors are unable to provide a preliminary opinion of the probable outcome of this matter.

(ii) Legal Action Involving UESB and Shapadu Energy Services Sdn. Bhd. ("SES")

Arbitration at the Asian International Arbitration Centre commenced by SES against UESB (AIAC/D/ADM-1195-2023)

On 13 February 2023, SES issued a Notice of Arbitration to UESB to commence an arbitration against UESB for alleged unpaid sums for works performed by SES. On 8 January 2024, SES filed the Statement of Claim claiming, among others, the sum of RM10,094,065.77.

On 20 February 2024, UESB filed its Defence and Counterclaim, claiming for, among others, the sum of RM19,331,159.88.

As at the reporting date, the parties have provided the number of factual and expert witnesses to the Tribunal in compliance with the Arbitrator's directions. The parties are in the midst of preparing the relevant documents for this arbitration where witness statements and expert reports are to be exchanged between the parties on 22 October 2024.

UESB has engaged solicitors to represent it in this arbitration proceedings. Based on the solicitors' preliminary opinion at this stage, UESB has a reasonable chance to succeed in its claims against SES in this arbitration proceedings and to defend against SES' claims.

NOTES TO THE FINANCIAL STATEMENTS (CONTD.)

39. SIGNIFICANT EVENTS DURING AND EVENTS SUBSEQUENT TO THE END OF THE FINANCIAL YEAR

(iii) Proposals of establishment of dividend reinvestment scheme and bonus issue

On 27 September 2024, the Company proposed to undertake the following: ("the Proposals")

- (i) proposed establishment of a dividend reinvestment scheme which will provide shareholders with an option to elect to reinvest in whole or in part, their cash dividend(s) as may be declared by the Company, which includes any interim, final, special or other types of cash dividend in new ordinary shares in the Company ("Uzma Share(s)") ("Proposed DRS"); and
- (ii) proposed bonus issue of up to 172,131,403 new Uzma Shares ("Bonus Share(s)") on the basis of 1 Bonus Share for every 3 existing Uzma Shares held on an entitlement date to be determined and announced later ("Proposed Bonus Issue")

The Proposals, amongst others are subject to regulatory and other customary approvals, including the approval from the shareholders of the Company.

Barring any unforeseen circumstances and subject to the relevant approvals being obtained, the Proposed DRS is expected to be ready for implementation in the 4th quarter of 2024, whereas the Proposed Bonus Issue is expected to be implemented in the 1st quarter of 2025.

(iv) Development of large scale solar photovoltaic plant ("LSS4")

The Group's wholly owned subsidiary, Uzma Kuala Muda Sdn. Bhd. ("UKM") was awarded contract by Tenaga Nasional Berhad ("TNB") to develop a large-scale solar photovoltaic plant under the government's fourth competition bidding programme, known as LSS4 or MEnTARI with its expected scheduled commercial operation date ("SCOD") on 29 September 2023.

On 8 August 2022, UKM received extension from Suruhanjaya Tenaga ("ST") and the SCOD to be on 31 December 2023.

UKM then applied for further extension of time to ST due to the delay in completion of the construction of the solar photovoltaic plant.

Subsequently, on 1 October 2024, ST had given an extension to the SCOD from 31 December 2023 to 29 June 2024.

NOTES TO THE FINANCIAL STATEMENTS (CONTD.)

40. COMPARATIVE FIGURES

The presentation and classification of items in the current year financial statements have been consistent with the previous financial year except for certain comparative amounts which have been reclassified to conform with current year's presentation.

	As previously stated RM	Reclassification RM	As restated RM
Group			
30 June 2023			
<u>Statement of comprehensive income</u>			
Other income	431	1,673	2,104
Administrative expenses	(80,119)	(1,673)	(81,792)
Net (impairment)/reversal of impairment of financial assets	(3,975)	5,802	1,827
Other operating expenses	(23,315)	(5,802)	(29,117)
<u>Statement of cash flows</u>			
<i>Cash flows from operating activities:</i>			
Financing cost paid	(456)	(105)	(561)
Amortisation of intangible assets	(3,306)	2,058	(1,248)
Interest income	(6,965)	6,334	(631)
<i>Working capital changes :-</i>			
Payables	27,005	(7,361)	19,644
<i>Cash flows from investing activities:</i>			
Changes in pledged deposits	(23,593)	10,308	(13,285)
Changes in unpledged fixed deposits with tenure more than 3 months	3,238	10,566	13,804
Interest received	6,965	(6,334)	631
<i>Cash flows from financing activities:</i>			
Financing cost paid	(17,736)	105	(17,631)
Proceeds from government grant	2,058	(2,058)	-
Dividends paid to non-controlling interests by subsidiaries	(1,402)	788	(614)
Repayment to a director	-	(4)	(4)
Repayment to an associate	-	(1,316)	(1,316)
Advances from non-controlling interests	-	7,893	7,893
Cash and cash equivalents at the end of the financial year	(14,383)	20,874	6,491
Company			
30 June 2023			
<u>Statement of cash flows</u>			
<i>Cash flows from operating activities:</i>			
Financing cost paid	(4,225)	4,225	-
<i>Working capital changes :-</i>			
Payables	19,458	(19,878)	(420)
<i>Cash flows from financing activities:</i>			
Financing cost paid	-	(4,225)	(4,225)
Repayment to a director	-	(81)	(81)
Net (repayment)/advances from subsidiaries	-	19,959	19,959

NOTES TO THE FINANCIAL STATEMENTS (CONTD.)

41. AUTHORISATION OF FINANCIAL STATEMENTS FOR ISSUE

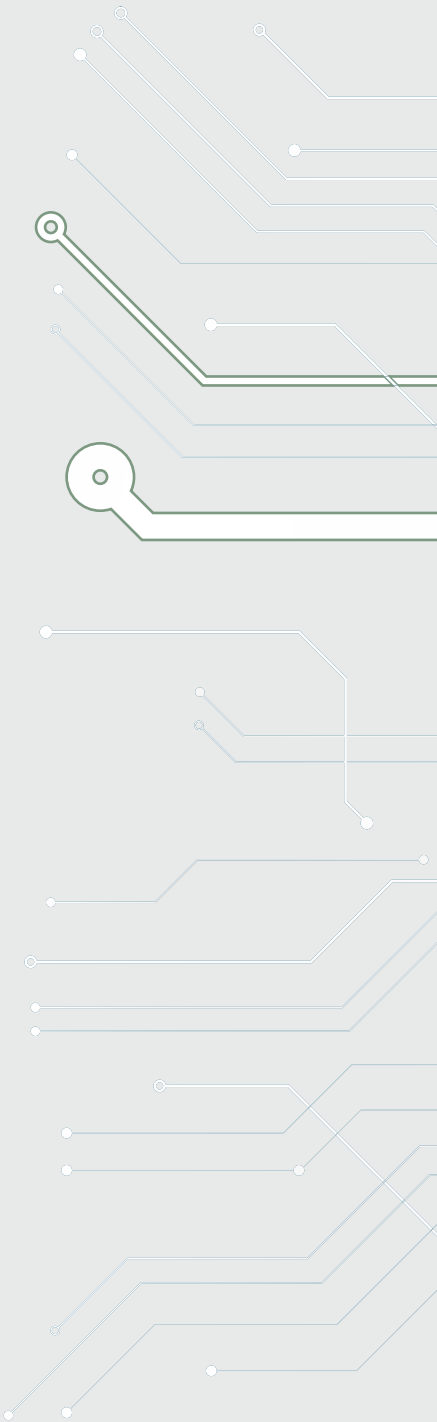
The financial statements for the year ended 30 June 2024 were authorised for issue in accordance with a resolution of the directors dated 2 October 2024.

SECTION



ADDITIONAL
INFORMATION

List of Properties	310
Analysis of Shareholdings As At 2nd October 2024	312



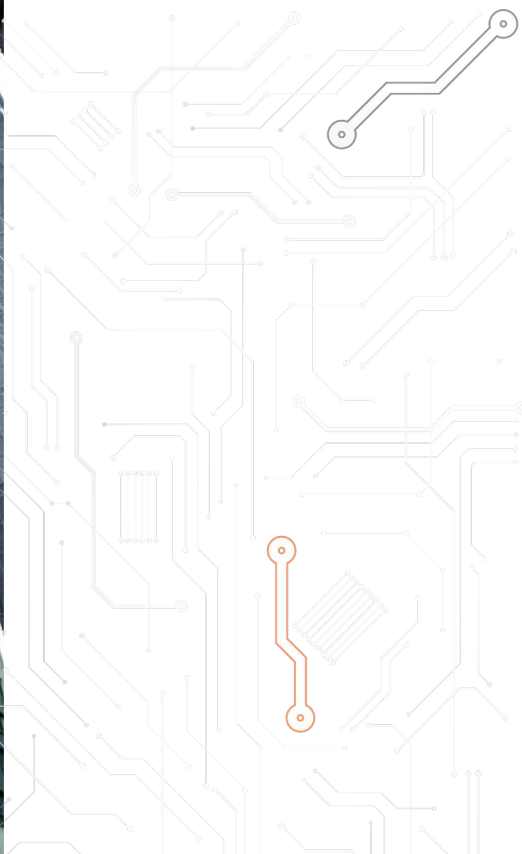


LIST OF PROPERTIES

The details of buildings and land owned by the Group are as follows: -

Title/Location	Description/ Existing Use	Registered Owner	Date of Acquisition	Age of Building	Built-Up Area	Tenure	Net Book Value as at 30.06.2024 (RM'000)	Original Cost (RM'000)
H.S. (D) 102228 P.T. No. 16042 Damansara, Selangor Darul Ehsan No. 29, Jalan Kartunis U1/47, Temasya Industrial Park, Section U1, Shah Alam, Selangor Darul Ehsan, Malaysia	Semi-detached industrial premises / Geological laboratory	Uzma Engineering Sdn. Bhd.	13/10/2008	26 years	9,601.49 sq.ft	Freehold	3,036	3,626
H.S. (D) 256295, P.T. No. 47371 in the Mukim of Sungai Buloh, District of Petaling, State of Selangor H-B1-01, H-02-01, H-03-01, H-03A-01, H-05-01, H-06-01, H-07-01, H-08-01, H-09-01, H-10-01, H-11-01, H-12-01 All situated at Blok Empire Pejabat, Empire Damansara, No. 2, Jalan PJU 8/8A, Damasara Perdana, PJU 8, 47820 Petaling Jaya, Selangor Darul Ehsan, Malaysia	12-storey commercial building / Office	Uzma Engineering Sdn. Bhd.	22/11/2013	10 years	38,901 sq.ft	Leasehold (expiring on 13/05/2108)	19,383	24,000
H.S. (D) 110395/110396 P.T. No. 549 & 550 Seksyen 92, Bandar Kuala Lumpur No. 68 & 70, Fraser Business Park, Jalan Metro Pudu 2, Off Jalan Yew, 55100 Kuala Lumpur, Malaysia	Two-adjacent multi-storey building / Office	Setegap Ventures Petroleum Sdn. Bhd.	14/01/2018	18 years	751.12 sq.m	Freehold	8,146	9,310

Title/Location	Description/ Existing Use	Registered Owner	Date of Acquisition	Remaining Lease	Land Area	Tenure	Net Book Value as at 30.06.2024 (RM'000)	Original Cost (RM'000)
Lot No. 12909 (Formerly PT. 1237 and 1727)	Commercial land	Uzma Engineering Sdn. Bhd.	01/10/2019	-	6,114 sq.m	Freehold	560	1,722
Title No. GM2838 (Formerly HSM 670 and GM 671)					6,318 sq.m		440	
Padang Enggang, Kota Bharu, Kelantan Darul Naim, Malaysia								
Teluk Kalung Industrial Land, Teluk Kalung, Kemaman, Terengganu Darul Iman, Malaysia	Industrial land	Uzma Engineering Sdn. Bhd.	30/06/2016	43 years	20,000 sq.m	Leasehold	5,052	5,973



ANALYSIS OF SHAREHOLDINGS

30 SEPTEMBER 2024

Total Number of Issued Shares	:	435,330,500
Class of Shares	:	Ordinary Shares
Voting Rights	:	One vote per share
Number of Shareholders	:	3,993

DISTRIBUTION SCHEDULE OF SHARES

AS AT 30 SEPTEMBER 2024

Size of Shareholdings	No. of Shareholders	Percentage of Shareholders (%)	No. of Shares Held	Percentage of Shareholders (%)
Less than 100	49	1.23	789	0.00
100 to 1,000	1,018	25.49	445,833	0.10
1,001 to 10,000	1,840	46.08	9,616,801	2.21
10,001 to 100,000	833	20.86	28,710,053	6.60
100,001 to 21,766,524 (*)	250	6.26	298,030,350	68.46
21,766,525 and above (**)	3	0.08	98,526,674	22.63
TOTAL	3,993	100.00	435,330,500	100.00

Notes:
(*) Less than 5% of issued shares
(**) 5% and above of issued shares



DIRECTORS' SHAREHOLDINGS AS PER THE REGISTRAR PURSUANT TO THE COMPANIES ACT 2016

AS AT 30 SEPTEMBER 2024

No.	Names of Directors	Designation	No. of Shares			
			Direct		Indirect	
			No. of Shares Held	Percentage of Issued Capital (%)	No. of Shares Held	Percentage of Issued Capital (%)
1	Datuk Abdullah Bin Karim	Chairman	-	-	-	-
2	Dato' Kamarul Redzuan Bin Muhamed	Managing Director / Group Chief Executive Officer	-	-	98,526,674^	22.63
3	Datin Rozita Binti Mat Shah @ Hassan	Executive Director	-	-	98,526,674^	22.63
4	Dato' Che Nazahatuhisamudin Bin Che Haron	Executive Director	2,000,000	0.46	-	-
5	Datuk Seri Dr. Zurainah Binti Musa	Independent Non-Executive Director	-	-	-	-
6	Ikhlas Bin Abdul Rahman	Independent Non-Executive Director	-	-	-	-
7	Y.M. Tengku Ezuan Ismara Bin Tengku Nun Ahmad	Independent Non-Executive Director	-	-	-	-
8	Datuk Farisha Binti Pawan Teh	Independent Non-Executive Director	365,000	0.08	230,000*	0.05
9	Mazli Zakuan Bin Mohd Noor	Independent Non-Executive Director	-	-	-	-
10	Dato' Nasri Bin Nasrun	Non-Independent Non-Executive Director	1,050,000	0.24	-	-

Notes:

(^) Deemed interested pursuant to Section 8(4) of the Act by virtue of his/her shareholdings in Tenggiri Tuah Sdn Bhd. The total indirect shares of 98,526,674 are held as follows: -

- (i) 1,075,074 ordinary shares are registered in the name of Tenggiri Tuah Sdn. Bhd.;
- (ii) 10,000 ordinary shares are registered in the name of CGS International Nominees Malaysia (Tempatan) Sdn. Bhd. – pledged securities account for Tenggiri Tuah Sdn. Bhd.; and
- (iii) 97,441,600 ordinary shares are registered in the name of Kenanga Nominees (Tempatan) Sdn. Bhd. – pledged securities account for Tenggiri Tuah Sdn. Bhd.

(*) Deemed interested by virtue of the shareholdings held by her spouse, Jan Ai Jeffri Abd Rashid pursuant to Section 59(11)(c) of the Act.

SUBSTANTIAL SHAREHOLDERS AS PER THE REGISTER OF SUBSTANTIAL SHAREHOLDERS

AS AT 30 SEPTEMBER 2024

No.	Name	Direct		Indirect	
		No. of Shares Held	Percentage of Issued Capital (%)	No. of Shares Held	Percentage of Issued Capital (%)
1	Tenggiri Tuah Sdn. Bhd.	98,526,674	22.63	-	-
2	Dato' Kamarul Redzuan Bin Muhamed	-	-	98,526,674^	22.63
3	Datin Rozita Binti Mat Shah @ Hassan	-	-	98,526,674^	22.63
4	Urusharta Jamaah Sdn. Bhd.	28,289,400**	6.50	-	-

Notes:

- (^) Deemed interested pursuant to Section 8(4) of the Act by virtue of his/her shareholdings in Tenggiri Tuah Sdn. Bhd. The total indirect shares of 98,526,674 are held as follows: -
- (i) 1,075,074 ordinary shares are registered in the name of Tenggiri Tuah Sdn. Bhd.;
 - (ii) 10,000 ordinary shares are registered in the name of CGS International Nominees Malaysia (Tempatan) Sdn. Bhd. – pledged securities account for Tenggiri Tuah Sdn. Bhd.; and
 - (iii) 97,441,600 ordinary shares are registered in the name of Kenanga Nominees (Tempatan) Sdn. Bhd. – pledged securities account for Tenggiri Tuah Sdn. Bhd.

(**) The total direct shares of 28,289,400 are held as follows: -

- (i) 17,099,100 ordinary shares are registered in the name of Citigroup Nominees (Tempatan) Sdn. Bhd. Urusharta Jamaah Sdn. Bhd. (2)
- (ii) 9,190,300 ordinary shares are registered in the name of Citigroup Nominees (Tempatan) Sdn. Bhd. Urusharta Jamaah Sdn. Bhd. (Maybank 2)
- (iii) 2,000,000 ordinary shares are registered in the name of Citigroup Nominees (Tempatan) Sdn. Bhd. Urusharta Jamaah Sdn. Bhd. (Principal 2)

THIRTY (30) LARGEST SHAREHOLDERS

AS AT 30 SEPTEMBER 2024

	Name of Shareholders	No. of Shares Held	%
1	Kenanga Nominees (Tempatan) Sdn. Bhd. Pledged Securities Account for Tenggiri Tuah Sdn. Bhd.	97,441,600	22.38
2	Citigroup Nominees (Tempatan) Sdn Bhd Urusharta Jamaah Sdn. Bhd. (2)	17,099,100	3.93
3	Universal Trustee (Malaysia) Berhad Kaf Core Income Fund	16,059,800	3.69
4	Maybank Nominees (Tempatan) Sdn Bhd National Trust Fund (IFM KAF) (446190)	11,514,700	2.65
5	Citigroup Nominees (Asing) Sdn Bhd Exempt An For Citibank New York (Norges Bank 22)	11,000,000	2.53
6	Yeoh Yew Choo	9,568,800	2.20
7	Citigroup Nominees (Tempatan) Sdn Bhd Urusharta Jamaah Sdn. Bhd. (Maybank 2)	9,190,300	2.11
8	Citigroup Nominees (Tempatan) Sdn Bhd Employees Provident Fund Board (CIMB PRIN)	8,287,600	1.90

	Name of Shareholders	No. of Shares Held	%
9	Amanahraya Trustees Berhad Pmb Shariah Growth Fund	6,500,000	1.49
10	Db (Malaysia) Nominee (Tempatan) Sendirian Berhad Deutsche Trustees Malaysia Berhad For Hong Leong Dana Makmur	6,200,000	1.42
11	Maybank Nominees (Tempatan) Sdn Bhd Syarikat Takaful Malaysia Keluarga Berhad (ORDPA)	5,773,100	1.33
12	Maybank Nominees (Tempatan) Sdn Bhd Mtrustee Berhad For Ethereum-Alpha Eq Fund (445329)	5,273,600	1.21
13	Citigroup Nominees (Tempatan) Sdn Bhd Great Eastern Life Assurance (Malaysia) Berhad (DG)	5,188,800	1.19
14	Maybank Nominees (Tempatan) Sdn Bhd National Trust Fund (IFM UOBAM) (446560)	5,000,000	1.15
15	Citigroup Nominees (Tempatan) Sdn Bhd Great Eastern Takaful Berhad (MEKAR)	4,986,000	1.15
16	Universal Trustee (Malaysia) Berhad KAF Tactical Fund	4,800,000	1.10
17	Maybank Nominees (Tempatan) Sdn Bhd Pledged Securities Account For Tan Chin Hooi	4,587,000	1.05
18	DB (Malaysia) Nominee (Tempatan) Sendirian Berhad Deutsche Trustees Malaysia Berhad For Hong Leong Growth Fund	4,400,000	1.01
19	Cartaban Nominees (Asing) Sdn Bhd The Bank Of New York Mellon For Acadian Emerging Markets Micro-Cap Equity Master Fund	4,388,800	1.01
20	Citigroup Nominees (Tempatan) Sdn Bhd Employees Provident Fund Board (PHEIM)	4,000,000	0.92
21	Cartaban Nominees (Tempatan) Sdn Bhd RHB Trustees Berhad For KAF Vision Fund	3,938,900	0.91
22	Maybank Nominees (Tempatan) Sdn Bhd Exempt An For Maybank Islamic Asset Management Sdn Bhd (Omnibus Trust Account For Clients)	3,936,300	0.90
23	Citigroup Nominees (Tempatan) Sdn Bhd Great Eastern Life Assurance (Malaysia) Berhad (LPF)	3,827,100	0.88
24	Ng Chee Seng	3,600,000	0.83
25	HSBC Nominees (Tempatan) Sdn Bhd HSBC (M) Trustee Bhd For Manulife Insurance Berhad (Equity Fund)	3,589,300	0.83
26	HSBC Nominees (Tempatan) Sdn Bhd HSBC (M) Trustee Bhd For Manulife Investment Al-Faid (4389)	3,467,700	0.80
27	UOBM Nominees (Tempatan) Sdn Bhd UOB Asset Management (Malaysia) Berhad For Malaysian Timber Council (OF-EQ)	3,409,100	0.78
28	Citigroup Nominees (Tempatan) Sdn Bhd Kumpulan Wang Persaraan (Diperbadankan) (Principal ISLMC)	2,860,700	0.66
29	Maybank Nominees (Tempatan) Sdn Bhd Medical Fund ESG (IFM UOBAM) (447428)	2,799,000	0.64
30	Citigroup Nominees (Tempatan) Sdn Bhd Great Eastern Life Assurance (Malaysia) Berhad (LSF)	2,744,100	0.63

SECTION

08

ANNUAL
GENERAL MEETING

8.1	Notice of 17th Annual General Meeting	318
8.2	Administrative Guide for the 17th Annual General Meeting	326
8.2	Proxy Form	332





NOTICE OF

17TH

ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT the Seventeenth Annual General Meeting ("17th AGM") of UZMA BERHAD will be held and conducted on a virtual basis through live streaming and online remote voting using the remote participation and voting facilities for the purpose of considering and if thought fit, passing the resolutions setting out in this notice: -



Meeting Date	:	Wednesday, 13 November 2024
Time	:	10.00 a.m.
Meeting Platform	:	ConveneAGM at https://conveneagm.my/uzmaagm2024
Mode of Communication	:	<p>i. Submit questions to the Board prior to the 17th AGM by emailing to communications@uzmagroup.com or via typed texts at ConveneAGM at https://conveneagm.my/uzmaagm2024 not later than 10.00 a.m. on 11 November 2024, Monday.</p> <p>ii. Pose questions to the Board via real time submission of typed texts at ConveneAGM at https://conveneagm.my/uzmaagm2024 during the live streaming of the 17th AGM.</p>
Broadcast Venue	:	<p>Level 2, Uzma Tower No. 2, Jalan PJU 8/8A Damansara Perdana 47820 Petaling Jaya Selangor Darul Ehsan Malaysia</p>

AGENDA

As Ordinary Business

1.	To receive the Audited Financial Statements of the Company for the financial year ended 30 June 2024 together with the Directors' and Auditors' Reports thereon.	<i>(Explanatory Note 1)</i>
2.	To approve the Directors' fees and benefits payable to the Non-Executive Directors of up to an aggregate amount of RM1,256,500.00 for the period from 14 November 2024 until the next Annual General Meeting of the Company and the payment thereof.	<i>Ordinary Resolution 1</i>
3.	To re-elect the following Directors who are retiring by rotation in accordance with Clause 98 of the Constitution of the Company :-	
	(i) Tengku Ezuan Ismara Bin Tengku Nun Ahmad	<i>Ordinary Resolution 2</i>
	(ii) Datuk Farisha Binti Pawan Teh	<i>Ordinary Resolution 3</i>
	(iii) Mazli Zakuan Bin Mohd Noor	<i>Ordinary Resolution 4</i>
4.	To re-elect the following Directors who are retiring by rotation in accordance with Clause 106 of the Constitution of the Company :-	
	(i) Dato' Nasri Bin Nasrun	<i>Ordinary Resolution 5</i>
	(ii) Datin Rozita Binti Mat Shah @ Hassan	<i>Ordinary Resolution 6</i>
5.	To approve the payment of a final single-tier dividend of RM0.02 per ordinary share for the financial year ended 30 June 2024.	<i>Ordinary Resolution 7</i>
6.	To re-appoint Messrs Al Jafree Salihin Kuzaimi PLT as Auditors of the Company for the financial year ending 30 June 2025 and to authorise the Board of Directors to fix their remuneration.	<i>Ordinary Resolution 8</i>

As Special Business

To consider and, if thought fit, to pass the following resolutions :-

7. Authority Under Sections 75 and 76 of the Companies Act 2016 ("Act") for the Directors to Allot and Issue Shares; and Waiver of Pre-Emptive Rights Over New Ordinary Shares ("Shares") or Other Convertible Securities in the Company Under Section 85(1) of the Act to be Read Together with Clause 59 of the Constitution of the Company

Ordinary Resolution 9

"**THAT** pursuant to Sections 75 and 76 of the Act, the Directors be and are hereby authorised to allot and issue new Shares in the Company, grant rights to subscribe for Shares in the Company, convert any security into Shares in the Company, or allot Shares under an agreement or option or offer at any time in the Company, and 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 issued and allotted, to be subscribed under any rights granted, to be issued from conversion of any security, or to be issued and allotted under an agreement or option or offer, does not exceed ten per centum (10%) of the total number of issued Shares of the Company (excluding treasury shares) for the time being and that the Directors be and are also hereby empowered to obtain approval for the listing of and quotation for the additional Shares so allotted on Bursa Malaysia Securities Berhad ("Bursa Securities") and that such authority shall continue in force until the conclusion of the next Annual General Meeting of the Company, subject always to the approval of all relevant regulatory authorities (if any) being obtained for such allotment and issuance.

AND THAT in connection with the above, pursuant to Section 85(1) of the Act read together with Clause 59 of the Constitution of the Company, the shareholders of the Company do hereby waive their pre-emptive rights over all new Shares, options over or grants of new Shares or any other convertible securities in the Company and/or any new Shares to be issued pursuant to such options, grants or other convertible securities, such new Shares when issued, to rank pari passu with the existing Shares in the Company."

8. Proposed Renewal of Authority for the Company to Purchase Its Own Ordinary Shares ("Proposed Renewal of Share Buy-Back Mandate")

Ordinary Resolution 10

"**THAT** subject to the Act, the Constitution of the Company, the Main Market Listing Requirements of Bursa Securities ("MMLR") and the approvals of all other relevant governmental and/or regulatory authorities (if any), the Company be and is hereby authorised to make purchases of the Company's ordinary shares ("Proposed Share Buy-Back") as may be determined by the Directors of the Company from time to time through Bursa Securities upon such terms and conditions as the Directors may deem fit, necessary and expedient in the interest of the Company provided that the aggregate number of shares purchased and/or held as treasury shares pursuant to this resolution does not exceed ten per centum (10%) of the total number of issued shares of the Company;

THAT an amount not exceeding the retained profits account be allocated by the Company for the Proposed Share Buy-Back;

THAT the authority conferred by this resolution will be effective immediately upon the passing of this resolution and will expire at :-

- i) The conclusion of the next Annual General Meeting ("AGM") of the Company (being the Eighteenth AGM of the Company), at which time the said authority will lapse unless by an ordinary resolution passed at a general meeting of the Company, the authority is renewed, either unconditionally or subject to conditions;
- ii) The expiration of the period within which the Eighteenth AGM of the Company is required by law to be held; or
- iii) Revoked or varied by an ordinary resolution passed by the shareholders in a general meeting.

whichever occurs first but not so as to prejudice the completion of the purchase(s) by the Company before the aforesaid expiry date and in any event, in accordance with the provisions of the guidelines issued by Bursa Securities and/or any other relevant governmental and/or regulatory authorities (if any);

THAT authority be and is hereby given to the Directors of the Company to decide at their absolute discretion to either cancel and/or retain the shares so purchase as treasury shares to deal with such treasury shares in the manner as set out in Section 127(7) of the Act.

AND THAT the Directors of the Company be authorised to take all steps necessary to implement, complete and do all such acts and things (including executing all such documents as may be required) as they may consider expedient or necessary to give effect to the Proposed Share Buy-Back as may be agreed or allowed by any relevant governmental and/or regulatory authority."

9. Retention of Independent Non-Executive Director, Datuk Seri Dr. Zurainah Binti Musa

Ordinary Resolution 11

"**THAT** approval be and is hereby given to Datuk Seri Zurainah Binti Musa to be retained as Independent Non-Executive Director of the Company until the conclusion of the next Annual General Meeting of the Company."

BY THE BOARD

KHOO MING SIANG

Membership No.: MAICSA 7034037

SSM Practicing Certificate No.: 202208000150

CHIN WAI LENG

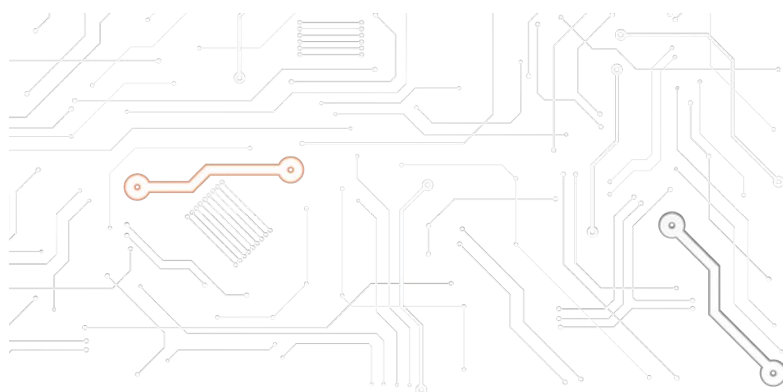
Membership No.: LS0009738

SSM Practicing Certificate No.: 201908000658

Company Secretaries

Selangor Darul Ehsan

Date: 15 October 2024



NOTES:

1. The AGM of the Company will be held and conducted on a virtual basis through live streaming and online remote voting via Remote Participation and Electronic Voting ("RPEV") facilities. Please follow the procedures provided in the Administrative Guide for the AGM in order to register, participate and vote remotely.

The Administrative Guide on the conduct of a virtual AGM of the Company is available on the Company's website at www.uzmagroup.com.

2. The venue of the AGM is strictly for the purpose of complying with Section 327(2) of the Companies Act 2016 which requires the Chairman of the meeting to be present at the main venue of the meeting. The venue of the AGM is to inform the shareholders where the electronic AGM production and streaming would be conducted from. **NO SHAREHOLDER(S)/PROXY(IES)** from the public will be allowed to be physically present at the broadcast venue.
3. A member [other than an exempt authorized nominee as defined under the Securities Industry (Central Depositories) Act, 1991] of the Company who is entitled to participate and vote at the meeting is entitled to appoint not more than two (2) proxies to participate and vote in his stead at the same meeting. A proxy may but need not be a member of the Company, an advocate, an approved company auditor or a person approved by the Registrar. There shall be no restriction as to the qualification of the proxy.
4. Where a member of the Company appoints two (2) proxies, the member shall specify the proportions of his/her shareholdings to be represented by each proxy, failing which the appointments shall be invalid.
5. Where a member of the Company is an exempt authorized 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 authorized nominee may appoint in respect of each omnibus account it holds.

An exempt authorized nominee refers to an authorized nominee defined under the Securities Industry (Central Depositories) Act 1991 ("SICDA") which is exempted from compliance with the provisions of subsection 25A (1) of SICDA.

6. The instrument appointing a proxy, in the case of an individual, shall be signed by the appointed or by his attorney duly authorized in writing and in the case of corporation shall be given under its common seal or signed on its behalf by an attorney of the corporation so authorized.
7. The appointment of proxy may be made in a hard copy form or by electronic means, not less than forty-eight (48) hours before the time for holding the AGM or at any adjournment thereof, as follows :-

i) In hard copy form

The original instrument appointing a proxy ("Proxy Form") must be deposited at **KPMG Management & Risk Consulting Sdn. Bhd.** at Concourse, KPMG Tower, No. 8, First Avenue, Bandar Utama, 47800 Petaling Jaya, Selangor Darul Ehsan, Malaysia.

ii) By electronic means

The Proxy Form can also be lodged electronically via the online portal at <https://conveneagm.my/uzmaagm2023> or email to support_conveneagm@kpmg.com.my. Please follow the procedures provided in the Administrative Guide for the 17th AGM in order to deposit the Proxy Form electronically.

8. If you have submitted your Proxy Form(s) and subsequently decide to appoint another person or wish to participate in our electronic AGM by yourself, please write in to support_conveneagm@kpmg.com.my to revoke the earlier appointed proxy forty-eight (48) hours before this meeting.
9. Pursuant to Paragraph 8.29A(1) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, all the resolutions set out in the Notice of AGM will be put to vote by way of poll.
10. For the purpose of determining who shall be entitled to participate in this meeting, the Company be requesting from Bursa Malaysia Depository Sdn. Bhd. to make available a Record of Depositors as at 6 November 2024. Only a Depositor whose name appears on such Record of Depositors shall be entitled to participate and vote at this meeting and be entitled to appoint a proxy or proxies.

Explanatory Notes on Ordinary Business and Special Business

1. Audited Financial Statements for the Financial Year Ended 30 June 2024

The Audited Financial Statements in Agenda 1 is meant for discussion only, as approval from the shareholders is not required pursuant to the provision of Section 340(1)(a) of the Companies Act 2016. Hence, this Agenda is not put forward for voting by shareholders of the Company.

2. Ordinary Resolution 1 – Fees and Benefits Payable to the Directors

Section 230(1) of the Companies Act 2016 provides amongst others that the fees of the Directors and any benefits payable to the Directors of the Company and its subsidiaries shall be approved at a general meeting. In this respect, the Board of Directors ("Board") of the Company wishes to seek shareholders' approval for the payment of fees and benefits payable to the Non-Executive Directors ("NEDs") of up to an aggregate amount of RM1,256,500.00 for the period from 14 November 2024 until the next AGM to be held in 2025. The aggregate amount of RM1,155,000.00 consists of the Directors' fees payable to the NEDs of the Company as members of the Board and the Board Committees, subject to the approval of the shareholders at this 17th AGM.

The proposed fees payable by the Company to each of the NEDs are detailed as follows:

Board of Directors

- Chairman RM180,000
- Member RM120,000

Board Committees

- Chairman RM30,000
- Member RM15,000

The proposed Resolution 1 is to facilitate the payment of Directors' fees on a current financial year basis, calculated based on the current board size. In the event the Directors' fees proposed are insufficient (due to enlarged Board size), approval will be sought at the next AGM for additional fees to meet the shortfall.

In determining the estimated total amount of benefits (excluding Directors' fees) for the NEDs, the Board considered various factors including the number of scheduled meetings for the Board, Board Committees as well as the number of Directors involved. The Board is recommending to the shareholders to approve the Directors' benefits payable to the NEDs of up to RM101,500.00 from the date of the forthcoming AGM until the next annual general meeting of the Company. In the event the proposed amount is insufficient (due to more meetings/ enlarged board size), approval will be sought at the next annual general meeting for the shortfall.

3. Ordinary Resolutions 2, 3, 4, 5 and 6 – Re-election of Directors

For the purpose of determining the eligibility of the Directors to stand for re-election at the 17th Annual General Meeting of the Company, the Board through its Nomination and Remuneration Committee ("NRC") undertook a formal evaluation to determine the eligibility of each retiring Director in line with the Malaysian Code on Corporate Governance, which included the following: -

- i) The performance and effectiveness of the Board of Directors as a whole, Board Committees and individual Directors;
- ii) The independence of the Independent Non-Executive Directors; and
- iii) The fit and proper assessment.

Based on the outcome of the annual performance evaluation, the NRC and the Board are satisfied that the retiring Directors, namely Tengku Ezuan Ismara Bin Tengku Nun Ahmad, Datuk Farisha Binti Pawan Teh, Mazli Zakuan Bin Mohd Noor, Dato' Nasri Bin Nasrun, and Datin Rozita Binti Mat Shah @ Hassan (collectively, "the retiring Directors") standing for re-election have performed their duties as per the Board Charter. In addition, the NRC and the Board are confident that the retiring Directors will continue to bring their knowledge, experience and skills, and will contribute effectively to the Board's discussions, deliberations and decisions. In view thereof, the Board recommends that the retiring Directors be re-elected as Directors of the Company.

The retiring Directors, being eligible, have offered themselves for re-election at the 17th AGM.

The retiring Directors have abstained from deliberations and decisions on their own eligibility and suitability to stand for re-election at the relevant Board meeting.

The profiles of the Directors who are standing for re-election under Ordinary Resolutions 2 to 6 are set out in the Directors' Profile on pages 67, 70 to 73 of the Annual Report 2024.

4. Ordinary Resolution 8 – Re-appointment of Auditors

Messrs Al Jafree Salihin Kuzaimi PLT, the auditors of the Company, have expressed their willingness to continue in office as auditors of the Company for the financial year ending 30 June 2025. The Board has approved the Audit Committee's recommendation that their office be retained after taking into account the relevant feedback on their experience, performance and independence following a formal assessment.

5. Ordinary Resolution 9 – Authority Under Section 75 and 76 of the Companies Act 2016 for the Directors to Allot and Issue Shares and Waiver of Pre-Emptive Rights

The Ordinary Resolution 9 proposed under item 7 of the Agenda is a renewal of the general mandate for issuance of ordinary shares ("Shares") by the Company under Sections 75 and 76 of the Act. The mandate, if passed, will provide flexibility for the Company and empower the Directors to allot and issue new Shares speedily in the Company from time to time and expand the mandate to grant rights to subscribe for Shares in the Company, convert any security into Shares in the Company, or allot Shares under an agreement or option or offer, provided that the aggregate number of Shares issued and allotted, to be subscribed under any rights granted, to be issued from conversion of any security, or to be issued and allotted under an agreement or option or offer, pursuant to this resolution does not exceed 10% of the total number of issued Shares (excluding treasury shares, if any) of the Company for the time being for such purposes as the Directors consider would be in the interest of the Company. This would eliminate any delay arising from and cost involved in convening a general meeting to obtain the approval of the shareholders for such issuance of shares. This authority, unless revoked or varied by the Company at a general meeting, will expire at the next AGM.

This is the renewal of the mandate obtained from the members at the last Annual General Meeting ("the previous mandate"). The previous mandate was not utilised and accordingly no proceeds were raised.

The authority will provide flexibility to the Company for any possible fund raising activities, including but not limited to, further placing of shares, for purpose of funding investment project(s), working capital and/or acquisitions.

Pursuant to Section 85(1) of the Act is read together with Clause 59 of the Constitution of the Company, the shareholders have pre-emptive rights to be offered any new Shares which ranks equally to the existing issued Shares or other convertible securities.

Details of Section 85(1) of the Act and Clause 59 of the Constitution of the Company

Section 85(1) of the Act provides as follows :-

"85. Pre-emptive rights to new shares

- (1) *Subject to the constitution, where a company issue shares which rank equally to existing shares as to voting or distribution rights, those shares shall first be offered to the holders of existing shares in a manner which would, if the offer were accepted, maintain the relative voting and distribution rights of those shareholders."*

Clause 59 of the Constitution of the Company provides as follows :-

"Subject to any direction to the contrary that may be given by the Company in general meeting, any new shares from time to time to be created shall, before they are issued, be offered to such persons as at the date of the offer are entitled to receive notices from the Company of general meetings in proportion, as nearly as the circumstances admit, to the amount of the existing shares or securities to which they are entitled. The offer shall be made by notice specifying the number of shares or securities offered, and limiting a time within which the offer, if not accepted, will be deemed to be declined, and, after the expiration of that time, or on the receipt of an intimation from the person to whom the offer dispose of those shares or securities in such manner as they think most beneficial to the Company. The Board may likewise also dispose of any new shares or securities which (by reason of the ration which the new shares or securities held by persons entitled to an offer of new shares or securities) cannot, in the opinion of the Directors, be conveniently offered under this Clause."



6. Ordinary Resolution 10 – Proposed Renewal of Share Buy-Back Mandate

Ordinary Resolution 10 proposed under item 8 of the Agenda, if passed, will give the Directors of the Company the authority to take all such steps, as are necessary or expedient, to implement, finalise, complete and/or to effect the purchase(s) of ordinary shares by the Company as the Directors may deem fit and expedient in the best interest of the Company. The authority will, unless revoked or varied by the Company in a general meeting, continue to be in force until the conclusion of the next AGM of the Company or the expiry of the period within which the next AGM of the Company following the 17th AGM is required by law to be held.

Please refer to the Statement to Shareholders dated 15 October 2024 for further information.

7. Ordinary Resolution 11 – Retention of Independent Non-Executive Director, Datuk Seri Dr. Zurainah Binti Musa

Ordinary Resolution 11, if passed, will allow Datuk Seri Dr. Zurainah Binti Musa to continue in office as an Independent Non-Executive Director of the Company.

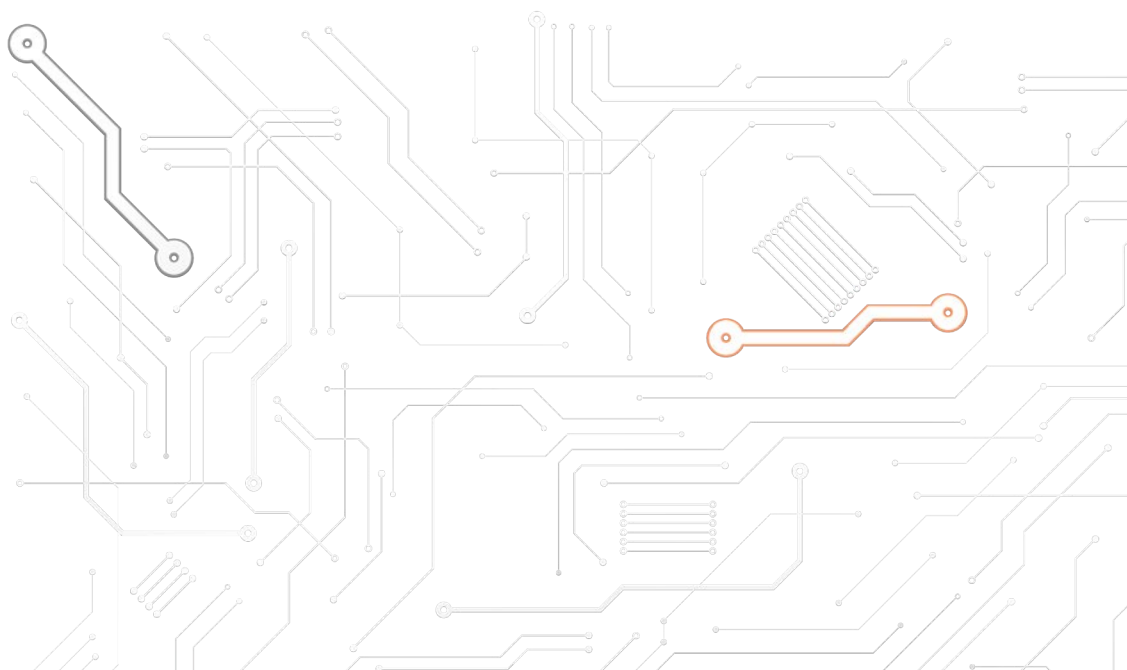
Datuk Seri Dr. Zurainah Binti Musa was appointed as an Independent Non-Executive Director on 13 May 2015. The Board has via the Nomination and Remuneration Committee ("NRC") conducted a performance evaluation and assessment on Datuk Seri Zurainah Binti Musa, who has served the Company for more than nine (9) years as at the date of the notice of this 17th AGM. The Board and NRC (save for Datuk Seri Dr. Zurainah Binti Musa who has declared her interest and abstained from deliberation and voting) recommended her to continue to act as Independent Director of the Company based on the following justifications:-

- i) she has met the independence guidelines set out in the MMLR,
- ii) she continues to be independent as she has no circumstances and relationships that create threats to her independence,
- iii) she has actively participated in the board meetings and possesses the appropriate competencies to enable her to apply professional judgment, and
- iii) she has contributed sufficient time and efforts and exercised due care in all undertakings of the Company and has acted and carried out her fiduciary duties in the interest of the Company during her tenure as an Independent Non-Executive Director.

Pursuant to the Malaysian Code on Corporate Governance 2021, the Company will use two-tier voting process in seeking annual shareholders' approval to retain Datuk Seri Dr. Zurainah Binti Musa, who served the Company as an Independent Non-Executive Director beyond nine (9) years.

Personal Data Privacy:

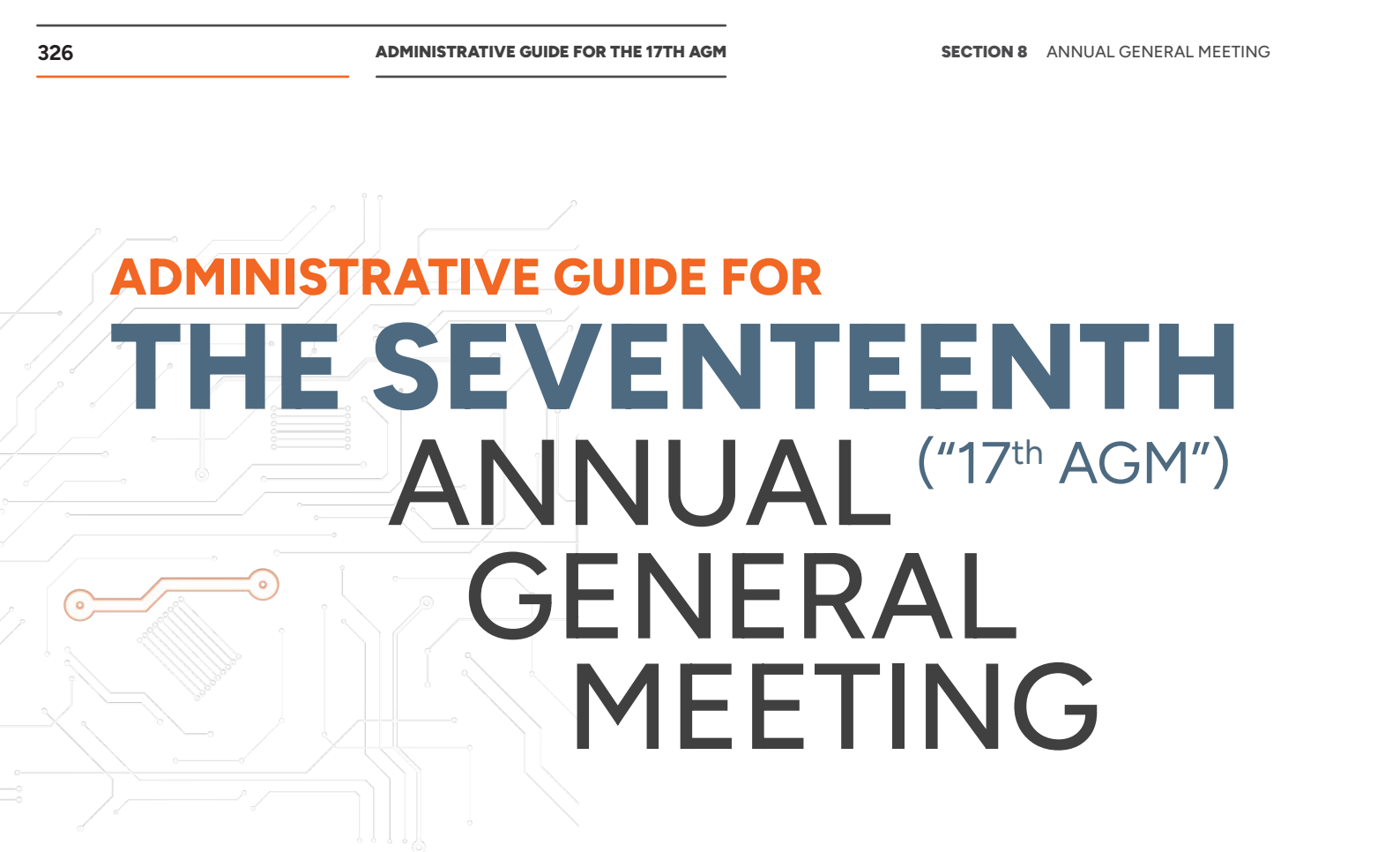
By submitting an instrument appointing a proxy(ies) and/or representative(s) to participated and vote at the AGM and/or any adjournment thereof, a member of the Company (i) consents to the collection, use and disclosure of the member's personal data by the Company (or its agents) for the purpose of the processing and administration by the Company (or its agents) of proxies and representatives appointed for the AGM (including any adjournment thereof) and the preparation and compilation of the attendance lists, minutes and other documents relating to the AGM (including any adjournment thereof), and in order for the Company (or its agents) to comply with any applicable laws, listing rules, regulations and/or guidelines (collectively, the "Purposes"), (ii) warrants that where the member discloses the personal data of the member's proxy(ies) and/or representative(s) to the Company (or its agents), the member has obtained the prior consent of such proxy(ies) and/or representative(s) for the collection, use and disclosure by the Company (or its agents) of the personal data of such proxy(ies) and/or representative(s) for the Purposes, and (iii) agrees that the member will indemnify the Company in respect of any penalties, liabilities, claims, demands, losses and damages as a result of the member's breach of warranty.





17TH ANNUAL GENERAL MEETING

WEDNESDAY, 13 NOVEMBER 2024 | UZMA BERHAD'S ANNUAL REPORT 2024



ADMINISTRATIVE GUIDE FOR THE SEVENTEENTH ANNUAL ("17th AGM") GENERAL MEETING

Meeting Date	:	Wednesday, 13 November 2024
Time	:	10.00 a.m.
Meeting Platform	:	ConveneAGM at https://conveneagm.my/uzmaagm2024
Mode of Communication	:	<div><div>i.</div><div>Submit questions to the Board prior to the 17th AGM by emailing them to communications@uzmagroup.com or via typed texts at ConveneAGM at https://conveneagm.my/uzmaagm2024 not later than 10.00 a.m. on 11 November 2024 (Monday).</div></div> <div><div>ii.</div><div>Pose questions to the Board via real-time submission of typed texts at ConveneAGM at https://conveneagm.my/uzmaagm2024 during the live streaming of the 17th AGM.</div></div>
Broadcast Venue	:	Level 2, Uzma Tower, No. 2, Jalan PJU 8/8A, Damansara Perdana, 47820 Petaling Jaya, Selangor Darul Ehsan, Malaysia

Dear Shareholders,

The Company will be conducting its forthcoming 17th AGM on a virtual basis through live streaming and online remote voting using Remote Participation and Electronic Voting ("RPEV") facilities (hereinafter as "Virtual AGM").

The Broadcast Venue mentioned above is strictly for the purpose of complying with Section 327(2) of the Companies Act 2016 and Clause 64 of the Constitution of the Company which stipulates that the Chairman of the Meeting shall be at the main venue of the 17th AGM.

In line with the Practice 13.3 of the Malaysian Code on Corporate Governance, by conducting a Virtual AGM, this would promote greater shareholder participation as it facilitates electronic voting and remote members' participation. With the RPEV Facilities, you may exercise your right as a member of the Company to participate (including to pose questions to the Board of Directors and/or Management of the Company) and vote at the AGM. Alternatively, you may also appoint the Chairman of the Meeting as your proxy to attend and vote on your behalf at the AGM.

No Members/Proxies/Corporate Representatives from the public shall be physically present nor admitted at the Broadcast Venue on the day of the AGM.

Digital Copies of Annual General Meeting Documents

As part of our dedicated commitment to sustainable practices, please scan the QR code for the following documents of the Company, which are also available and can be downloaded from Bursa Malaysia Securities Berhad and the Company's website at <https://www.uzmagroup.com/uzma-investor-relations>

1. Annual Report 2024
2. Corporate Governance Report 2024
3. Notice of the 17th AGM and Proxy form
4. Administrative Guide for the 17th AGM
5. Statement to Shareholders in relation to the proposed renewal of authority for the Company to purchase its own ordinary shares ("**Proposed Renewal of Share Buy-Back Mandate**") ("**Statement to Shareholders**")



As a shareholder of the Company, you may submit your request for a printed copy of the Annual Report 2024 and/or Statement to Shareholders to communications@uzmagroup.com and must provide all the required information accurately, i.e. full name, CDS account number, full mailing address and shareholder's mobile number. Barring any unforeseen circumstances, we will send a printed Annual Report 2024 and/or Statements to Shareholders to you as reasonably practicable from the date of receipt of your request. Nevertheless, it is hoped that you would consider the environment before you decide to request for the printed copy.

Entitlement to Participate and Vote

In respect of deposited securities, only members whose names appear in the Record of Depositors on 23 November 2023 (General Meeting Record of Depositors) shall be eligible to participate in the AGM or appoint proxy(ies) to participate and/or vote on his/her behalf.

Form(s) of Proxy

Shareholders who are unable to participate in our online AGM are encouraged to appoint the Chairman of the Meeting as their proxy and indicate the voting instructions in the proxy form. Please take note that you must complete the proxy form for the AGM should you wish to appoint proxy(ies).

The proxy form may be made in hard copy or by electronic means, not less than forty-eight (48) hours before the time appointed for holding the meeting, i.e. latest by 10:00 a.m., Monday, 11 November 2024 as follows :-

(i) In hard copy form

The proxy form must be deposited at the office of our Administration and Polling Agent:

KPMG Management & Risk Consulting Sdn Bhd
Concourse, KPMG Tower,
No. 8, First Avenue, Bandar Utama,
47800 Petaling Jaya,
Selangor Darul Ehsan, Malaysia

(ii) **By electronic means**

The proxy form can also be lodged electronically through ConveneAGM Meeting Platform at <https://conveneagm.my/uzmaagm2024> or email to support_conveneagm@kpmg.com.my.

You may follow the steps below to lodge electronic proxy via ConveneAGM Meeting Platform :-

- Go to <https://conveneagm.my/uzmaagm2024>.
- Select "Register Now" and choose "Register as Shareholder".
- Fill out the form with the required information and select "Submit Registration".
- A confirmation will be displayed after a successful registration.
- Check your email for the next step.
- Open the email from **AGM@Convene** (agmaccounts@conveneagm.com).
- Select "Verify Your Email".
- After the email verification, you will be redirected to create your own personalised password.
- Sign in to <https://conveneagm.my/uzmaagm2024>.
- Select "Fill Out Proxy Form".

Revocation of Proxy

If you have submitted your proxy form prior to the meeting and subsequently decide to participate at the meeting yourself, please write to support_conveneagm@kpmg.com.my to revoke the appointment of your proxy(ies) at least forty-eight (48) hours before the 17th AGM.

Alternatively, you may register for RPEV facility or appoint another proxy. In such an event, your earlier appointment of a proxy shall be revoked. Please advise your proxy accordingly. Follow the steps listed in Procedures for RPEV FACILITIES to register and/or withdraw the proxy form.

Voting Procedure

The voting procedure will be conducted by poll in accordance with Paragraph 8.29A of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad. The Company has appointed KPMG Management & Risk Consulting Sdn . Bhd . ("KPMG") as Poll Administrator to conduct the poll by way of electronic voting ("e-voting") and Independent Scrutineer to verify and validate the poll results.

During the AGM, the Chairman of the Meeting will invite the Poll Administrator to brief on the e-voting housekeeping rules. The e-voting session will commence as soon as the Chairman calls for the poll to be opened and until such time when the Chairman announces the closure of the poll.

For the purposes of the virtual AGM, e-voting will be carried out via personal smartphones, tablets, or personal computers/laptops.

Upon the conclusion of the e-voting session, the Independent Scrutineer will verify the poll results followed by a declaration by the Chairman of the Meeting whether the resolutions put to vote were successfully carried or not.

Procedures for RPEV Facilities

All shareholders including (i) individual shareholders; (ii) corporate shareholders; (iii) authorised nominees; and (iv) exempt authorised nominees shall use the RPEV facility at <https://conveneagm.my/uzmaagm2024> to participate and vote remotely at the 17th AGM.

All shareholders who wish to participate at the 16th AGM are required to register online at ConveneAGM Meeting Platform (<https://conveneagm.my/uzmaagm2024>).

Registration for remote access will open from Tuesday, 15 October 2024 until the day of the 17th AGM on Wednesday, 13 November 2024. Shareholders are encouraged to register at least 48 hours before the commencement of the 16th AGM to allow some time for the Company to verify the shareholder status and to avoid any delay in registration.

Kindly follow the steps below or provided in the AGM User Guide at <https://cdn.azeusconvene.com/wpcontent/uploads/brochures/Getting-Started-with-ConveneAGM.pdf> on how to register online:-

Pre Meeting Day

Registration for Shareholders and/or Corporate Representatives

- Go to <https://conveneagm.my/uzmaagm2024>.
- Select "Register Now" and choose "Register as Shareholder".
- Fill out the form with the required information and click "Submit Registration".
- A confirmation will be displayed after a successful registration.
- Check your email for the next step.
- Open the email from **AGM@Convene** (agmaccounts@conveneagm.com).
- Select "Verify Your Email".
- After email verification, you will be redirected to create your own personalised password.
- Upon system verification against the Record of Depositors and Register of Members as at 6 November 2024, you will receive email from AGM@Convene indicating that your registration is approved or rejected.

Please note that the corporate shareholders who require their corporate representative to participate and vote at the AGM must deposit their certificate of appointment of corporate representative to KPMG not later than Monday, 11 November 2024 at 10:00 am.

Pre Meeting Day

Registration for
Proxyholders

- As a Proxy, you will receive email from **AGM@Convene** with your proxy code once you are appointed by your shareholder.
- Open the email from **AGM@Convene** (agmaccounts@conveneagm.com).
- Select "Verify Your Email".
- After the email verification, you will be redirected to create your own personalised password.

Please note that in the event the shareholder who appointed you cannot be authenticated against the Record of Depositors and Register of Members as at 6 November 2024, your registration will not be valid.

Meeting Day

Participation by
Shareholders, Proxies
and/or Corporate
Representatives
during AGM

- Login to <https://conveneagm.my/uzmaagm2024>
- Click to start the live webcast.
- Proceed to ask question and/or vote when permissible.

No Door Gift/E-Voucher/Food Voucher

There will be NO door gift/e-voucher/food voucher for participating at the AGM since the meeting is being conducted on a virtual basis.

Recording or Photography at the AGM

Strictly NO recording or photography of the AGM proceedings is allowed.

Enquiries

Should you require any assistance on the RPEV facility, kindly contact KPMG, details as follows :-

- (a) For matters relating to proxy processing and eligibility to participate at the 17th AGM [During office hours on Mondays to Fridays (except on public holidays) from 8:30 a.m. to 5:30 p.m.].

Email	:	support_conveneAGM@kpmg.com.my
Telephone No.	:	603-7721 3109/ 7329/ 7954/ 7780

- (b) For ConveneAGM Technical Support (available 24/7):

Toll Free No	:	1 800 817 240
Email	:	support@conveneagm.com
Live Chat	:	Click on the chat icon at the bottom right side of https://conveneagm.my/uzmaagm2024

Personal Data Privacy:

By submitting an instrument appointing a proxy(ies) and/or representative(s) to participate and vote at the AGM and/or any adjournment thereof, a member of the Company (i) consents to the collection, use and disclosure of the member's personal data by the Company (or its agents) for the purpose of the processing and administration by the Company (or its agents) of proxies and representatives appointed for the AGM (including any adjournment thereof) and the preparation and compilation of the attendance lists, minutes and other documents relating to the AGM (including any adjournment thereof), and in order for the Company (or its agents) to comply with any applicable laws, listing rules, regulations and/or guidelines (collectively, the "Purposes"), (ii) warrants that where the member discloses the personal data of the member's proxy(ies) and/or representative(s) to the Company (or its agents), the member has obtained the prior consent of such proxy(ies) and/or representative(s) for the collection, use and disclosure by the Company (or its agents) of the personal data of such proxy(ies) and/or representative(s) for the Purposes, and (iii) agrees that the member will indemnify the Company in respect of any penalties, liabilities, claims, demands, losses and damages as a result of the member's breach of warranty.

An abstract graphic of a circuit board pattern, consisting of numerous thin, dark blue lines that branch and connect at various points, resembling a complex network or a stylized map. The pattern is denser on the left side and tapers off towards the right.

PROXY FORM

Fold this flap for sealing

Then fold here

Affix Stamp

The Administration and Polling Agent of

UZMA BERHAD

KPMG Management & Risk Consulting Sdn. Bhd.

Concourse, KPMG Tower

No.8 First Avenue, Bandar Utama

47800 Petaling Jaya

Selangor Darul Ehsan

Malaysia

1st fold here

UZMA BERHAD
[Registration No. 200701011861 (769866-V)]
(Incorporated in Malaysia)

PROXY FORM

No. of shares held	
CDS Account No.	

I/We*, _____ (full name of member, in capital letters)
NRIC No./Passport No./Company No.* _____ of _____
_____ (full address) being a member of UZMA BERHAD, hereby
appoint _____ (name of proxy as per NRIC, in capital letters)
NRIC No./Passport No. _____ of _____
_____ (full address) and telephone/mobile no. _____ email address _____
and failing him/her* _____ (name of proxy as per NRIC, in capital letters)
NRIC No./Passport No. _____ of _____
_____ (full address) and telephone/mobile no. _____ email address _____
or failing him/her*, the Chairman of the Meeting as my/our* proxy to vote for me/us* on my/our* behalf at the Seventeenth Annual General Meeting ("AGM") of Uzma Berhad ("the Company") to be held and conducted on a virtual basis through live streaming from the broadcast venue at **Level 2, Uzma Tower, No. 2, Jalan PJU 8/8A, Damansara Perdana, 47820 Petaling Jaya, Selangor Darul Ehsan, Malaysia** via the meeting platform at <https://conveneagm.my/uzmaagm2024> (Domain Registration No. with MYNIC - D6A475992 on Wednesday, 13 November 2024 at 10.00 a.m. and at each and any adjournment thereof, on the following resolutions referred to in the Notice of the Seventeenth AGM.

My/Our proxy is to vote as indicated below :-

No.	Resolution	For	Against
Ordinary Resolution 1	To approve the Directors' fees and benefits payable to the Directors up to an aggregate amount of RM1,256,500.00 for the period from 14 November 2024 until the next Annual General Meeting.		
Ordinary Resolution 2	To re-elect Tengku Ezuan Ismara Bin Tengku Nun Ahmad who is retiring by rotation in accordance with Clause 98 of the Constitution of the Company.		
Ordinary Resolution 3	To re-elect Datuk Farisha Binti Pawan Teh who is retiring by rotation in accordance with Clause 98 of the Constitution of the Company.		
Ordinary Resolution 4	To re-elect Mazli Zakuan Bin Mohd Noor who is retiring by rotation in accordance with Clause 98 of the Constitution of the Company.		
Ordinary Resolution 5	To re-elect Dato' Nasri Bin Nasrun who is retiring by rotation in accordance with Clause 106 of the Constitution of the Company.		
Ordinary Resolution 6	To re-elect Datin Rozita Binti Mat Shah @ Hassan who is retiring by rotation in accordance with Clause 106 of the Constitution of the Company.		
Ordinary Resolution 7	To approve the payment of a final single-tier dividend of RM0.02 per ordinary share for the financial year ended 30 June 2024.		
Ordinary Resolution 8	To re-appoint Messrs Al Jafree Salihin Kuzaimi PLT as Auditors of the Company for the financial year ending 30 June 2025 and to authorise the Directors to fix their remuneration.		
Ordinary Resolution 9	Authority under Sections 75 and 76 of the Companies Act 2016 for the Directors to allot and issue shares and Waiver of Pre-Emptive Rights.		
Ordinary Resolution 10	Proposed Renewal of Authority for the Company to Purchase its own Ordinary Shares.		
Ordinary Resolution 11	Retention of Independent Non-Executive Director, Datuk Seri Dr. Zurainah Binti Musa		

*Strike out whichever is not desired.
[Please indicate with an 'X' in the spaces provided whether you wish your votes to be cast for or against the resolutions. In the absence of specific directions, your proxy will vote or abstain as he/she thinks fit.]

Signed this day of 2024

Signature/Common Seal of Member/(s)

For appointment of two proxies, percentage of shareholdings to be represented by the proxies:		
	<u>No. of shares</u>	<u>No. of shares</u>
Proxy 1		%
Proxy 2		%
Total		100%

Notes:

1. The AGM of the Company will be held and conducted on a fully virtual basis through live streaming and online remote voting via Remote Participation and Electronic Voting ("RPEV") facilities. Please follow the procedures provided in the Administrative Guide for the AGM in order to register, participate and vote remotely.

The Administrative Guide on the conduct of a virtual AGM of the Company is available on the Company's website at www.uzmagroup.com.

2. The venue of the AGM is strictly for the purpose of complying with Section 327(2) of the Companies Act 2016 which requires the Chairman of the meeting to be present at the main venue of the meeting. The venue of the AGM is to inform shareholders where the electronic AGM production and streaming would be conducted from. **NO SHAREHOLDER(S)/PROXY(IES)** from the public will be allowed to be physically present at the broadcast venue.
3. A member other than an exempt authorised nominee as defined under the Securities Industry (Central Depositories) Act, 1991 of the Company who is entitled to participate and vote at the meeting is entitled to appoint not more than two (2) proxies to participate and vote in his stead at the same meeting. A proxy may but need not be a member of the Company, an advocate, an approved company auditor or a person approved by the Registrar. There shall be no restriction as to the qualification of the proxy.
4. Where a member of the Company appoints two (2) proxies, the member shall specify the proportions of his/her shareholdings to be represented by each proxy, failing which the appointments shall be invalid.
5. Where a member of the Company is an exempt authorised nominee which holds ordinary shares in the Company for multiple beneficial owners in one securities account ("omnibus account"), there is no limit to the number of proxies which the exempt authorised nominee may appoint in respect of each omnibus account it holds.

An exempt authorised nominee refers to an authorised nominee defined under the Securities Industry (Central Depositories) Act 1991 ("SICDA") which is exempted from compliance with the provisions of subsection 25A(1) of SICDA.

6. The instrument appointing a proxy, in the case of an individual, shall be signed by the appointer or by his attorney duly authorised in writing and in the case of corporation shall be given under its common seal or signed on its behalf by an attorney or officer of the corporation so authorised.
7. The appointment of proxy may be made in a hard copy form or by electronic means, not less than forty-eight (48) hours before the time for holding the AGM or at any adjournment thereof, as follows :-

i. In hard copy form

The original instrument appointing a proxy ("Proxy Form") must be deposited at **KPMG Management & Risk Consulting Sdn. Bhd.**, Concourse, KPMG Tower, No.8, First Avenue, Bandar Utama, 47800 Petaling Jaya, Selangor Darul Ehsan, Malaysia.

ii. By electronic means

The Proxy Form can also be lodged electronically via ConveneAGM Meeting Platform at <https://conveneagm.my/uzmaagm2024> or email to support_conveneagm@kpmg.com.my. Please follow the procedures provided in the Administrative Guide for the 17th AGM in order to deposit the Proxy Form electronically.

8. If you have submitted your Proxy Form(s) and subsequently decide to appoint another person or wish to participate in our electronic AGM by yourself, please write in to support_conveneagm@kpmg.com.my to revoke the earlier appointed proxy forty-eight (48) hours before this meeting. Alternatively, please follow the steps provided in the Administrative Guide for the 17th AGM to register for RPEV facility or appoint another proxy. In such an appointment your earlier appointment of proxy shall be revoked. Please advise your proxy accordingly.
9. Pursuant to Paragraph 8.29A(1) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, all the resolutions set out in the Notice of AGM will be put to vote by way of poll.
10. For the purpose of determining who shall be entitled to participate this meeting, the Company will be requesting Bursa Malaysia Depository Sdn. Bhd. to make available a Record of Depositors as at 6 November 2024. Only a Depositor whose name appears on such Record of Depositors shall be entitled to participate and vote at this meeting and entitled to appoint proxy or proxies.

Personal Data Privacy :-

By submitting an instrument on appointing a proxy(ies) and/or representative(s), the member accepts and agrees to the personal data privacy terms as set out in the Notice of the 17th AGM dated 15 October 2024.



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