



CORPORATE GOVERNANCE OVERVIEW STATEMENT

“Good governance is about effective leadership characterised by integrity, responsibility, accountability, fairness and transparency.”

Professor Mervyn E King, Patron Founder of the Good Governance Academy and Chair Emeritus of the Global Reporting Initiatives

The Board of Directors (“**the Board**”) of Teladan Group Berhad (“**TGB**”) has subscribed to the governance principles articulated by Professor Mervyn King to ensure that effective oversight, sound decision-making processes and robust internal controls are maintained across the Company and its subsidiaries (“**the Group**”). In this regard, the Board plays an active role in setting the tone at the top and ensuring that appropriate governance structures, oversight mechanisms and decision-making processes are in place across the Group. Through effective leadership and stewardship, the Board remains committed to safeguarding the interests of stakeholders while promoting the sustainable development of the Group.

The Board acknowledges the importance of the principles and recommendations as set out in the Malaysian Code on Corporate Governance (“**MCCG**”). In line with this, the Board is committed to the policy of managing the affairs of the Group with transparency, integrity and accountability by ensuring that a sound framework of the best corporate practices is in place. The ensuing paragraphs describe the extent the Group has applied and complied with the practices and guidance as set out in the MCCG. This Corporate Governance Overview Statement (“**this Statement**”) is to be read with the Corporate Governance Report 2025 (“**CG Report**”), which is made available on the Company’s website at

<https://teladan.my/investor-relations/investor-centre-reports/>

Where a specific Principle or Practice of the MCCG has not been observed during the financial year, the non-observation, including reasons thereof, and the alternative practice adopted, if any, is mentioned in the CG Report.

Preamble

- The Board is pleased to present this Statement to provide the investors with an overview of the extent of compliance with three (3) Principles as set out below in MCCG under the stewardship of the Board for the financial year ended 31 December 2025 (“**FYE 2025**”) and/or up to the date of this CG Statement (where applicable) (“**Applicable Period**”):

Principle A

Board Leadership & Effectiveness

Principle B

Effective Audit & Risk Management

Principle C

Integrity in Corporate Reporting & Meaningful Relationship with Stakeholders

- This Statement is presented pursuant to Paragraph 15.25 of the Main Market Listing Requirements (“**MMLR**”) of Bursa Securities and the MCCG.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

Teladan's Key CG Focus Area

The Board is pleased to provide below a snapshot of the key CG focus areas during the Applicable Period for information:-

MCCG Practices	Applications by Teladan
<p>Practice 1.1</p> <p>Key Responsibilities of the Board</p>	<ul style="list-style-type: none"> Strategic planning and direction to Managing Director (“MD”) and his management team. Business overview on consumer trends and the Group’s financial performance oversight. Risk Management oversight vide the Sustainability and Risk Management Committee (“SRMC”) – a dedicated Board Committee. Internal Control and compliance – ensure robustness, adequate and with integrity. Stakeholders’ communication – designated spokesperson for external parties and general public. Human resources planning and retention – ensure Executive Management retain key senior management personnel and management with integrity and competence.
<p>Practice 4.1</p> <p>The Board and management take responsibility for the governance of sustainability in the company</p>	<p>Environmental, Social and Governance (“ESG”) considerations</p> <ul style="list-style-type: none"> The Board has been proactively raising sustainability awareness, in particular the ESG issues during Board meetings. <p>Transfer Listing from ACE Market to Main Market</p> <ul style="list-style-type: none"> To further tapping into the capital market offerings avail to the larger listed companies, the Board and Management has successfully applied for the transfer listing of the Company from ACE Market to Main Market with effect from 2 January 2024, thereby enhancing the sustainability appeal of the Company in the eyes of shareholders and/or potential investors.
<p>Practice 5.2</p> <p>At least half the Board comprises independent directors</p>	<p>50% Independent Non-Executive Directors (“INEDs”) 25% Non-Independent Non-Executive Directors (“NINEDs”) 25% Executive Directors (“EDs”)</p>
<p>Practice 5.8</p> <p>Nominating Committee is chaired by an independent director or Senior Independent Director</p>	<ul style="list-style-type: none"> Ms. Madeline Lee May Ming (“Ms. Madeline Lee”), the Senior Independent Non-Executive Director (“SINED”) is the Chairperson of the Nomination Committee (“NC”). Ms. Madeline Lee has been designated as the key director where shareholders could raise their concern by writing-in to her.
<p>Practice 6.1</p> <p>Formal and objective evaluation on Board, its Committees and each individual director</p>	<ul style="list-style-type: none"> Facilitated by the Company Secretary, the Directors have been completing the online assessment forms at their convenience and the results were compiled by the Company Secretary for review and analysis. Ms. Madeline Lee, as the Chair of the NC led the annual review of board effectiveness, ensuring the performance of each director, the Board Committees as well as the Board as a whole were duly assessed by the NC and documented by the Company Secretary.



CORPORATE GOVERNANCE OVERVIEW STATEMENT

Teladan's Key CG Focus Area (Cont'd)

The Board is pleased to provide below a snapshot of the key CG focus areas during the Applicable Period for information (Cont'd):-

MCCG Practices	Applications by Teladan
<p>Step Up Practice 10.3</p> <p>The Board establish a Risk Management Committee, which comprises a majority of independent directors to oversee the company's risk management framework and policies</p>	<ul style="list-style-type: none"> The Board has established a dedicated SRMC to assist with the oversight of the Company's risk management framework and policies. To ensure the completeness and robustness of the Group's risk management framework, the SRMC has engaged an external risk facilitator to assist Management with the establishment of risk management framework and associated policies.

PRINCIPLE A - BOARD LEADERSHIP AND EFFECTIVENESS

Part I: Board Responsibilities

(1) Board Functions and Activities

The Board has general oversight of the Group and takes full responsibility for the overall performance of the Group by setting strategic directions and objectives, formulating policies and executing key strategic action plans.

The roles and duties of the independent Board Chairman, Mr. Roy Thean Chong Yew and the MD, Mr. Teo Lay Ban have been clearly identified in the Board Charter and separated to ensure effective operations of the Group.

For the Applicable Period, the Board discharged its responsibilities in the best interests of the Group, as follows:

<p>Strategy planning</p>	<ul style="list-style-type: none"> The Board provides direction and has in place a strategy planning process, where management presents its recommended strategy and business plans to the Board for review and approval before implementation. During the FYE 2025, the Board reviewed the sustainability, effectiveness and implementation of the land banking strategy for the year and provided guidance and input to Management.
<p>Overseeing the conduct of the Group's business</p>	<ul style="list-style-type: none"> The Managing Director ("MD") and the Executive Director are responsible to oversee the day-to-day management of the Group's business and operations. The MD and the Executive Director are assisted by various departmental heads in monitoring daily activities and further supported by the management and other committees established within the Group's management framework. The Management's performance is monitored and assessed by the Board through management reports which are tabled to the Board on a periodic basis. These reports include a brief summary of business operations and comprehensive financial performance. The Board also required regular Management updates of key strategic initiatives and operational issues within the Group.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

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

Part I: Board Responsibilities (Cont'd)

(1) Board Functions and Activities (Cont'd)

For the Applicable Period, the Board discharged its responsibilities in the best interests of the Group, as follows (Cont'd):

<p>Identifying principal business risks and ensuring the implementation of appropriate systems to manage risks</p>	<ul style="list-style-type: none"> • The Board has established Sustainability and Risk Management Committee (“SRMC”), a Board-level Committee to determine and put in place a robust process for identifying, reporting, managing and monitoring potential high risk faced by the Group, apart from reviewing the risk management policies. • SRMC would also make feasible recommendation to the Board for establishing adequate and appropriate controls over the organisation, as well as advise the management in executing the appropriate action plan. • During the Applicable Period, the SRMC has identified the following key risks which would pose an impact to the Group:- <ul style="list-style-type: none"> • Political Risk • Manpower Risk • Strategic Risk • Sustainability Risk • Interest Rate Risk • Cash Flow Risk • Bribery Risk
<p>Succession planning</p>	<ul style="list-style-type: none"> • The Board, with the assistance of the NC, ensures that an appropriate framework and plan for succession within the Group are in place. • The Board has also entrusted the MD with the responsibility to review candidates, compensation packages and oversee development for key senior management personnel.
<p>Shareholders’ Communication Policy and Activities</p>	<ul style="list-style-type: none"> • The Company recognised the importance of communication to the stakeholders. The objective of such communication proves to forge a quality public performance and increases awareness and confidence of interested parties towards the Company. The Board endeavours to ensure that pertinent information such as annual reports, quarterly reports, and announcements are released on a timely basis via: <ul style="list-style-type: none"> • Bursa Securities’ website • TGB’s website • General Meetings • In addition, the Board noted company-endorsed press releases would also be released in conjunction of the issuance of quarterly reports and/or to supplement the announcement(s) on corporate activities, in order to furnish stakeholders with accurate reporting and disclosures.
<p>Reviewing the adequacy and integrity of management information and internal controls system of the Group</p>	<ul style="list-style-type: none"> • The Board is ultimately responsible for the adequacy and integrity of the Group’s internal control system. • The Board has established Board-level Committees such as Audit Committee (“AC”), SRMC with specific terms of reference to assist with the regular oversight and reporting on internal controls and regulatory compliance. • The internal audit function has been outsourced to an independent consulting firm and the AC regularly reviews and scrutinises the audit reports.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

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

Part I: Board Responsibilities (Cont'd)

(1) Board Functions and Activities (Cont'd)

For the Applicable Period, the Board discharged its responsibilities in the best interests of the Group, as follows (Cont'd):

Reviewing the adequacy and integrity of management information and internal controls system of the Group (Cont'd)	<ul style="list-style-type: none">For the FYE 2025, details relating to the internal control system and review of effectiveness were available in the Statement on Risk Management and Internal Control as set out in this Annual Report.For FYE 2025, the Board has met and held 7 meetings in line with the business, operational and compliance needs of the Group. There were established procedures on the agenda, content and presentation of reports for each meeting so that all pertinent information would be included for deliberation.
ESG initiatives and Sustainability Governance	<ul style="list-style-type: none">In line with the MCCG, the oversight of ESG initiatives and sustainability governance has been elevated to the Board level.

(2) Role of Company Secretaries

During the FYE 2025, the Board is supported by three (3) suitably qualified and competent Company Secretaries as follows:-

- Ms. Chua Siew Chuan, FCIS
- Mr. Cheng Chia Ping, FCIS
- Ms. Ng Lee Ying, ACIS

Continuous Professional Development

- The Company Secretaries had and will continue to constantly keep themselves abreast on matters concerning company law, capital market, corporate governance, other pertinent matters and with changes in the same regulatory environment, through continuous training and industry updates.
- During the FYE 2025, the Company Secretaries have attended relevant development and trainings programmes as required by MAICSA for practicing chartered secretaries to enhance their ability in discharging their duties and responsibilities.

Qualifications

- Three of them are members of the Malaysian Institute of Chartered Secretaries and Administrators (“MAICSA”) and are qualified to act as company secretary under Section 235(2) of the Companies Act 2016 (“the Act”).
- Three of the Company Secretaries have also obtained their practising certificates issued by the Companies Commission of Malaysia pursuant to Section 241(1) of the Act.
- Details of the qualifications and experience of the Company Secretaries are set out in Practice 1.5 of the CG Report, which are available for viewing on the Company’s website at <https://teladan.my/investor-relations/investor-centre-reports/>.

Unrestricted access to the Company Secretaries

- Every Director has ready and unrestricted access to the advice and services of the Company Secretaries in ensuring the effective functioning of the Board.
- The Directors were regularly updated and advised by the Company Secretaries on new statutory and regulatory requirements issued by regulatory authorities and its implications to the Company and the Directors in relation to their duties and responsibilities.
- The Company Secretaries also play a key role to facilitate communication between the Board and Management.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

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

Part I: Board Responsibilities (Cont'd)

(2) Role of Company Secretaries (Cont'd)

Salient duties of the Company Secretaries

- Statutory duties as required under the Act, MMLR of Bursa Securities and Capital Market and Services Act 2007;
- Attending Board meetings and Board Committee meetings;
- Ensuring that Board meetings and Board Committee meetings, respectively are properly convened and the proceedings are properly recorded;
- Ensuring timely communication of the Board level decisions to the Management for further action;
- Ensuring that all appointments to the Board and/or Board Committees are properly made in accordance with the relevant regulations and/or legislations;
- Maintaining records for the purpose of meeting statutory obligations;
- Facilitating the provision of information as may be requested by the Directors from time to time and ensuring adherence to Board policies and procedures;
- Facilitating the conduct of the assessments to be undertaken by the Board and/or Board Committees as well as to compile the results of the assessments for the Board and/or Board Committee's notation;
- Assisting the Board with the preparation of announcements for release to Bursa Securities; and
- Rendering advice and support to the Board and Management.

For FYE 2025, the Board is satisfied with the performance and support rendered by the Company Secretaries to the Board in discharging its functions.

(3) Supply and Access to Information and Advice

For the Applicable Period, the Board has been supplied with appropriate and timely information to enable it to discharge its duties.

Ready access to information	<ul style="list-style-type: none"> • The Board may obtain all information pertaining to TGB from the Management and/or Company Secretaries.
Notification of Board Meetings	<ul style="list-style-type: none"> • The notice of the Board meeting is served at least seven (7) days prior to the Board meeting.
Dissemination of Board Papers	<ul style="list-style-type: none"> • Relevant Board papers were disseminated to all Directors at least five (5) days prior to the Board meeting so as to accord sufficient time for the Directors to peruse the Board papers and to seek any clarification or further details that they may need from the Management or the Company.
Independent Professional Advices	<ul style="list-style-type: none"> • The Directors may seek independent professional advice, whenever necessary and in appropriate circumstances, either individually or collectively on any matter concerning with the discharge of their responsibilities at the expense of the Company. • The Board's right to seek independent advices have been enshrined in the Board Charter.
Minutes of Board/ Committee Meetings	<ul style="list-style-type: none"> • All pertinent issues discussed at the meetings in arriving at decisions and conclusions are properly recorded in the discharge of the Board's duties and responsibilities. Representatives of Management have also been invited to attend Board meetings to furnish the Group with updates of their respective functions and to discuss on issues that may be raised by the Directors. • Minutes of the Board/Board Committees Meetings have been accurately recorded by the Company Secretaries to reflect the deliberations, in terms of the issues discussed, and the conclusions thereof in discharging its duties and responsibilities.



CORPORATE GOVERNANCE OVERVIEW STATEMENT

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

Part I: Board Responsibilities (Cont'd)

(3) Supply and Access to Information and Advice (Cont'd)

Minutes of Board/Committee Meetings (Cont'd)	<ul style="list-style-type: none">The Minutes was then tabled at the next following Board/Board Committees Meetings for perusal and confirmation. Upon Committee/Directors' confirmation, the Chairman of the Board/Board Committee Meetings signs the minutes as a correct record of the proceedings and thereafter, the said minutes of all proceedings are kept in the statutory book at the registered office of the Company to be made available for inspection under the Act.
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(4) Demarcation of Responsibilities

i) Board Charter

- The Board has in place a Board Charter setting out, inter-alia, the roles, duties and responsibilities of the Board and the application of principles and practices of good corporate governance.
- The roles and duties of the independent Board Chairman, Mr. Roy Thean Chong Yew and the MD, Mr. Teo Lay Ban have been clearly identified in the Board Charter and separated to ensure effective operations of the Group.
- The Board Charter would be periodically reviewed and updated in accordance with the needs of the Company and any new regulation that may have an impact on the discharge of the Board's responsibilities. Any subsequent amendments to the Board Charter can only be approved by the Board.
- The Board Charter is available on the Company's website at <https://teladan.my/investor-relations/corporate-governance/>.

(5) Good Business Conduct and Corporate Culture

i) Code of Conducts and Ethics

- The Board has in place the Code of Conduct and Ethics ("**the Code**") of the Company which applies to all Directors, management, employees and stakeholders during the conduct of businesses of the Group.
- In addition, all Executive Directors, management and employees of the Group are required to observe and comply with the Code of Conduct for workplace which is issued by the Human Resources Department. All Directors shall be accountable for full compliance of the Code. In the event of any violation of the Code, the Board shall take necessary actions to deter wrongdoings and to promote accountability for adherence to the Code.
- The Code is available on the Company's website at <https://teladan.my/investor-relations/corporate-governance/>.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

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

Part I: Board Responsibilities (Cont'd)

(5) Good Business Conduct and Corporate Culture (Cont'd)

ii) Whistleblowing Policy

- The Board has established a Whistleblowing Policy to uphold the Group's effort and commitment in doing business with ethics of honesty and integrity, henceforth, providing a transparent and confidential process in handling the whistleblowing reports.
- The Whistleblowing Policy aimed to provide a structured mechanism for its employees, Directors and associates to report suspected and/or known misconduct, wrongdoings, corruption and instances of fraud, waste, and/or abuse involving the resources of the Group and to provide reassurance that they shall be protected from reprisals or victimisation for whistleblowing in good faith.
- The Whistleblowing Policy is available on the Company's website at <https://teladan.my/investor-relations/corporate-governance/>. The AC has been tasked by the Board to perform the oversight function over the administration of the Whistleblowing Policy.

Anyone with genuine concerns in relation to unethical behaviour, malpractices, illegal acts or failure to comply with regulatory requirements may forward his report to the designated persons as provided below (where applicable):

<p>Designated Persons:-</p> <p>For matters relating to financial reporting, unethical or illegal conduct, one can report directly to the following designated person:</p> <p><u>AC Chairperson</u></p> <p>Ms. Foo Yit Lan at email address: foo.yl@teladan.my</p>
<p>For employment-related concerns, one can report directly to the following designated person(s):</p> <p>1) <u>Chairman of the Board</u></p> <p>Mr. Roy Thean Chong Yew at email address: roy.thean@teladan.my</p> <p>2) <u>Managing Director</u></p> <p>Mr. Teo Lay Ban at email address: ricteo@teladan.my</p> <p>3) <u>Financial Controller</u></p> <p>Ms. Ng Mih Fern at email address: ng.mf@teladan.my</p>
<p>For any concerns from the shareholders/stakeholders and/or whistleblowing, one can email to the following designated Director:</p> <p><u>Senior Independent Non-Executive Director</u></p> <p>Ms. Madeline Lee May Ming at email address: madeline.lee@teladan.my</p>

For the FYE 2025, none of the designated persons have received any reports or concerns via the abovementioned communication and feedback channels.



CORPORATE GOVERNANCE OVERVIEW STATEMENT

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

Part I: Board Responsibilities (Cont'd)

(5) Good Business Conduct and Corporate Culture (Cont'd)

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

- The Board has in place an ABC Policy to prevent corrupt practices and to provide a measure of assurance and a defence against corporate liability for corruption under Section 17A of the Malaysian Anti-Corruption Commission Act 2009.
- The Anti-Bribery and Anti-Corruption Policy is available on the Company's website at <https://teladan.my/investor-relations/corporate-governance/>.
- Bribery risk has been identified as one of the key risk affecting the Group. For the Applicable Period, the Board noted Management has instituted the following measures to mitigate the risk of Bribery:-
 - Communication of the Company's ABC policy to business associates;
 - Dissemination of the Company's Code of Conduct and Ethics and Whistleblowing Policy together with ABC commitment form to business associates;
 - Implementation of control measures as required by ABC Policy (e.g. due diligence requirement) - on gift declaration; and
 - Declaration in relation to conflict of interest - duly signed by all employees of the Group.

iv) Sustainability risks and opportunities

- Bearing in mind the strategic importance of sustainability to the Group, the Board first adopted the Sustainability Policy on 17 August 2021.
- The Sustainability Policy defined, among others, the Company's fundamental principles, direction and strategies, as well as the scope and governance for its implementation and monitoring. Details of the Group's material sustainability matters and the Company's responses are set out in the Sustainability Statement in this Annual Report.

v) Conflict of Interest Policy

- The Board adopted a Conflict of Interest Policy on 25 February 2025, which sets out the principles and procedures to ensure that Directors, Key Senior Management and employees act in the best interests of the Group.
- The Policy addresses the management of personal, financial and non-financial conflicts, and promotes transparency, integrity and accountability across the Group.
- To reinforce adherence to the Policy, an annual conflict of interest self-declaration exercise has been implemented for Directors and Key Senior Management to ensure ongoing compliance with governance standards.

Part II: Board Composition

(6) Board's Objectivity

i) Composition of the Board

The Board currently has eight (8) Board members, comprising one (1) Managing Director, one (1) Executive Director, two (2) Non-Independent Non-Executive Directors, one (1) Senior Independent Non-Executive Director and three (3) Independent Non-Executive Directors, which fulfils the prescribed requirement of one-third (1/3) of the Board to be independent as stated in Paragraph 15.02 of the MMLR.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

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

Part II: Board Composition (Cont'd)

(6) Board's Objectivity (Cont'd)

i) Composition of the Board (Cont'd)

For the Applicable Period, having reviewed the composition of the Board, the Board has concluded:-

- That the presence of INEDs from various fields and background were invaluable and fulfilled the pivotal role in corporate accountability;
- The current size of the Board was optimal and sufficient to oversee the affairs of the Group; and
- During Board and/or Board Committee Meetings, the INED have exhibited unbiased and independent views, provided sound advices and judgements, taking into account of the interests, not only of the Group, but also of the stakeholders.

The profile of each Director is presented in the "Board of Directors' Profile" section of this Annual Report.

ii) Board Tenure, Board Diversity and Key Senior Management

a) Tenure of INED

Upon review, as at the date of this Statement, none of the INEDs had served the Board as INED for more than nine (9) years.

b) Policy of Independent Director's Tenure

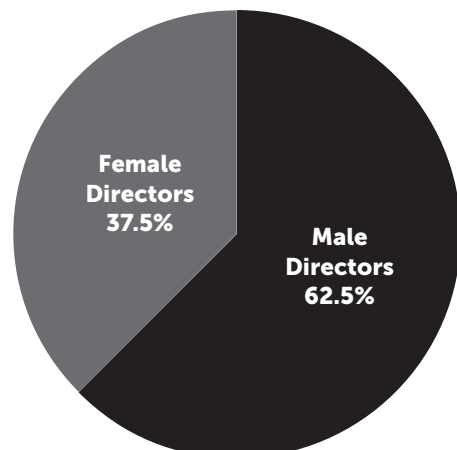
The Company observed the good governance practice which limits the tenure of the INED to nine (9) years as stated in the Board Charter.

c) Diversity of the Board and Key Senior Management

Appointment of the Board and key senior management are based on objective criteria, merit and due regard for diversity in skills, experience, age, cultural background and gender. Please refer to the profile of the Directors and the key senior management in other sections of this Annual Report for further information.

d) Boardroom Diversity Policy

- The Board acknowledges the importance of Boardroom diversity, including gender diversity, to the effective functioning of the Board through the adoption of the Boardroom Diversity Policy.
- Currently, the Board comprises three (3) female Directors out of eight (8) Directors, equivalent to 37.5% women representation on the Board, well exceeded the 30% yardstick as recommended by Practice 5.9 of MCCG.





CORPORATE GOVERNANCE OVERVIEW STATEMENT

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

Part II: Board Composition (Cont'd)

(6) Board's Objectivity (Cont'd)

iii) NC

- The NC is responsible for making recommendations relating to any new appointment of Director to the Board. Any new nomination received by the NC is to be assessed and reviewed by the NC with appropriate selection criteria and processes and to identify candidates for directorships of the Company, members of the relevant Board Committees and key senior management prior to the recommendation to the Board for their assessment and approval.
- The NC assesses the suitability of the candidates by taking into consideration the mix of skills, knowledge, expertise and experience, competencies, time commitment and professionalism required by the Board.
- In addition, the NC also has the function of assessing the effectiveness of the Board, reviewing the skills and competencies of the individual Director and the composition of the various Committees of the Board. The objective is to improve the Board's effectiveness, identify gaps, maximise strengths and address weaknesses of the Board.
- The Terms of Reference of the NC, outlining the NC's objectives, composition, proceeding of meetings, circular resolution, authority and duties and responsibilities, is available on the Company's website at <https://teladan.my/investor-relations/corporate-governance/>.

(a) Composition

The NC consists of three (3) members, all of whom are INEDs and the composition of the NC is as follows:

Members	Designation	Number of NC meetings attended/held during the FYE 2025	Percentage of attendance
Madeline Lee May Ming	Chairperson	1/1	100%
Foo Yit Lan	Member	1/1	100%
Annandan A/L Chandran	Member	1/1	100%

(b) Chair of NC

- The NC is chaired by Ms. Madeline Lee, a Senior INED. The Chairperson of the NC is responsible to lead the NC to carry out annual review of effectiveness of the Board as a whole, and the Board Committees, as well as the contribution and performance of each individual Director on an on-going basis in terms of contribution, skills, experience and other qualities.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

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

Part II: Board Composition (Cont'd)

(6) Board's Objectivity (Cont'd)

iii) NC (Cont'd)

(c) Summary of Works

- In compliance with the provision of Paragraph 15.08A(3) of the MMLR of Bursa Securities, the activities of the NC for the FYE 2025 are set out in Practices 5.3, 5.5, 5.6, 5.7 and 5.10 of the CG Report.
- The following works were undertaken by the NC during the FYE 2025:
 - Examined the composition of the Board and Board Committees.
 - Reviewed the required mix of skills, experience, gender diversity and other qualities of the Board.
 - Reviewed the sufficiency of time commitment of the Directors in discharging their roles and responsibilities in the Company.
 - Reviewed the independence of the Independent Non-Executive Directors and assessed their abilities to bring independent and objective judgement to Board's deliberations and proposals.
 - Assessed the fit and proper, and suitability of the Directors who were standing for re-election at the 7th AGM of the Company and recommended the same to the Board for approval.
 - Reviewed the profile of the proposed Chief Executive Officer ("CEO") candidate and recommended the appointment of the CEO to the Board for approval.

(d) Reinforce Independence: Annual Assessment of Independence of Directors

- The Board adopts the concept of independence in tandem with the definition of INED as prescribed under Paragraph 1.01 of the MMLR. The Board also carries out an annual assessment of the independence of its INEDs through the assistance of the NC for the FYE 2025.
- Upon review, the Board considers that its INEDs provide an objective and independent view on various issues dealt with at the Board and Board Committees level. All the Independent Non- Executive Directors are independent of management and are free from any relationship that could materially interfere with the exercise of their independent judgement.

(e) Re-election of Directors

(i) 1/3 Rotation

In accordance with Clause 21.7 of the Company's Constitution, at every AGM, one-third (1/3) of the Directors will retire from office unless elected or re-elected at the AGM. The Directors retiring will be those longest in office since their appointment or last election. If the Directors were appointed/elected on the same day, the Directors to retire will be either as agreed between those Directors or by lot. If the total number of Directors is not three (3) or a multiple of it, the number nearest to one-third (1/3) will retire. All the Directors shall retire from office at least once in each three (3) years, but shall be eligible for re-election.



CORPORATE GOVERNANCE OVERVIEW STATEMENT

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

Part II: Board Composition (Cont'd)

(6) Board's Objectivity (Cont'd)

iii) NC (Cont'd)

(e) Re-election of Directors (Cont'd)

(i) 1/3 Rotation (Cont'd)

- Pursuant to Clause 21.7 of the Constitution of the Company, the following Directors are to retire at the forthcoming 7th AGM (hereinafter referred to as ("**the Retiring Directors**")):-
 - Mr. Roy Thean Chong Yew;
 - Mr. Teo Lay Lee; and
 - Ms. Foo Yit Lan.
- The NC has conducted the following assessment based on the criteria as prescribed by the MMLR of Bursa Securities ("**Prescribed Criteria**") for the Retiring Directors:-
 - Mix of skills;
 - Character;
 - Experience;
 - Integrity;
 - Competence; and
 - Time commitment to discharge their roles.
- The NC, as guided by the Directors' Assessment Policy and Directors' Fit and Proper Policy, has undertaken a formal assessment of the Retiring Directors using the Prescribed Criteria as well as non-Prescribed Criteria such as the following:-
 - State of participation at the Board Committee(s)/ Board Meeting(s); and
 - Advice/ Guidance rendered to the Board Committee(s) and/or Board based on individual experience and background.
- Being satisfied with the performance of the Retiring Directors, the NC and in turn, the Board has recommended to shareholders, their re-election at the forthcoming 7th AGM of the Company.

(ii) Casual Vacancy

Directors who are appointed by the Board to fill a casual vacancy shall hold office until the next following AGM and shall then be eligible for re-election but shall not be taken into account in determining the Directors who are to retire by rotation at the AGM pursuant to Clause 21.11 of the Company's Constitution.

Upon review, the Board noted no Director would be retiring under this category at the forthcoming 7th AGM of the Company.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

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

Part II: Board Composition (Cont'd)

(7) Overall Board Effectiveness

(i) Annual Evaluation of the Board

The Board, through the NC, and facilitated by the Company Secretaries, would undertake the following assessments annually and the results of the evaluations were presented to the NC and the Board:

- a) Board and Board Committees performance evaluation;
- b) Self-performance evaluation;
- c) AC performance assessment questionnaires; and
- d) Independence of the INEDs.

The independence of the INEDs of the Company had been fulfilled in accordance with the MMLR and would not impede their independence in carrying out their duties in the respective Board and Board Committees.

(ii) Board Meetings

During the FYE 2025, a total of seven (7) Board meetings were held and the details of each Director's attendance at the Board meetings were as follows:

Name of Directors	No. of meetings attended	Percentage of attendance
Mr. Roy Thean Chong Yew	7/7	100%
Mr. Teo Lay Ban	6/7	86%
Mr. Annandan A/L Chandran	7/7	100%
Ms. Foo Yit Lan	7/7	100%
Ms. Madeline Lee May Ming	7/7	100%
Mr. Sia Ah Piew	7/7	100%
Mr. Teo Lay Lee	7/7	100%
Ms. Teo Siew May	7/7	100%

In the intervals between the Board meetings, Board approvals are obtained via circular resolutions for exceptional matters requiring Board's decision which is supported by the relevant information in order to form an informed decision. In order to facilitate the Directors' planning and time management, an annual meeting calendar is prepared and given to the Directors before the beginning of each financial year.

(iii) Time commitment

The Board meets at least quarterly to consider, inter alia all matters relating to the overall control, business performance and strategy, annual business plans and budgets, operational and financial performance reports, quarterly reports, capital expenditure of the Group. Additional meetings will be called as and when necessary.



CORPORATE GOVERNANCE OVERVIEW STATEMENT

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

Part II: Board Composition (Cont'd)

(7) Overall Board Effectiveness (Cont'd)

(iii) Time commitment (Cont'd)

For FYE 2025, the attendance rate of the Board members for Board and Board Committee Meetings were as follows:-

Board of Directors' Meeting	98%
Audit Committee Meeting	100%
Nomination Committee Meeting	100%
Remuneration Committee Meeting	100%
Sustainability and Risk Management Committee Meeting	100%

- Upon review, the Board is satisfied with the time commitment rendered by the Directors for FYE 2025.
- In respect of board directorship at public listed companies, all Directors do not hold more than five (5) directorships in public listed companies as stipulated under the MMLR. If any Director wishes to accept a new directorship in the public listed companies, the Chairman will be informed beforehand together with indication of time that will be spent on the new appointment.
- For FYE 2025, the Company received notification from Ms. Madeline Lee May Ming of her appointment as an Independent Non-Executive Director of Vantris Energy Berhad.

(iv) Directors' Training

During the FYE 2025, the Directors had attended the following training programmes:

Directors	Training(s) Attended
Mr. Roy Thean Chong Yew	<ul style="list-style-type: none"> • SIDC - MACFE Fraud Conference 2025 • LEAN Process Improvement • MIA - Fraud and Financial Scandals
Mr. Teo Lay Ban	<ul style="list-style-type: none"> • Performance Management (How to conduct effective performance conversations)
Mr. Sia Ah Piew	<ul style="list-style-type: none"> • Briefing by KPKT - Understanding the Amendments to the Housing Development (Control and Licensing) Act 1966 [Act 118] • Performance Management (How to conduct effective performance conversations)
Mr. Annandan A/L Chandran	<ul style="list-style-type: none"> • Malaysia Budget 2026 - Opportunities for Investors and Business • Occupational Safety and Health Coordinator • Budget 2026 - Building Resilient Businesses for Tomorrow • AOB - Conversation with Audit Committees
Ms. Foo Yit Lan	<ul style="list-style-type: none"> • MIA - Malaysian Business Reporting System ("MBRS") 2.0 for preparers: Financial Statements • MBRS 2.0 - KPMG MBRS Briefing Session • SSM Webinar - MBRS 2.0 - Annual Return • ACCA - Withholding tax & tax implication on cross-border transactions • ACCA - How to measure sustainability performance optimally: Target setting & choosing the right metrics? • MIA - Digital transformation through robotic process automation & artificial intelligence

CORPORATE GOVERNANCE OVERVIEW STATEMENT

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

Part II: Board Composition (Cont'd)

(7) Overall Board Effectiveness (Cont'd)

(iv) Directors' Training

During the FYE 2025, the Directors had attended the following training programmes (Cont'd):

Directors	Training(s) Attended
Ms Foo Yit Lan	<ul style="list-style-type: none"> MIA - Carbon Accounting & Reporting: From Basics to Best Practices ACCA - Post Budget 2026 AOB - Conversation with Audit Committees
Ms. Madeline Lee May Ming	<ul style="list-style-type: none"> Contract Law Reform Trustee Amendment Act The Rise of ESG and Climate Litigation - Emerging Directors' Duties
Ms. Teo Siew May	<ul style="list-style-type: none"> Top PMP Inspection Findings and How to Address Them Use of Internal Rate of Return to Evaluate Project Viability The Essentials of Company Law - What Directors, Shareholders and Business Owners Must Know
Mr. Teo Lay Lee	<ul style="list-style-type: none"> Financial Scandals: Deceit, Lies & Greed (by ICDM)

- Upon review, the Board noted for the FYE 2025, the Directors have collectively attended approximately 26 development and training programmes in accordance to their individual needs to enhance their ability in discharging their duties and responsibilities more effectively.

2026 Training Needs

- Upon review of the training needs of the Directors for the financial year ending 31 December 2026 and recognising the need to keep abreast with the fast-changing business and regulatory environment, the Board has encouraged its members to attend at least one (1) continuing education programme.

Part III: Remuneration

(8) Remuneration Packages

- The remuneration package of the Directors, MD and key senior management are linked to corporate and individual performance. For Non-Executive Directors, the level of remuneration is reflective of their experience and level of responsibilities assumed in the Board Committees, their attendances, special skills and expertise that they bring to the Board.

(9) RC

(a) Function

- The main function of the RC is to assist the Board in fulfilling its responsibilities on matters relating to the Group's compensation, bonuses, incentives and benefits. The RC assists the Board in assessing the remuneration packages of the Directors, MD and key senior management with a view to ensure that a competitive remuneration package is offered to attract and retain the talented individuals to serve the Group, reviews the Directors' fees and benefits and proposed to the Board for approval and recommendation to the shareholders for approval at the AGM.



CORPORATE GOVERNANCE OVERVIEW STATEMENT

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

Part III: Remuneration (Cont'd)

(9) RC (Cont'd)

(b) Composition

The RC consists of three (3) members, all of which are Independent Non-Executive Directors, and the composition of the RC is as follows:

Members	Designation	Number of RC meetings attended/ held during the FYE 2025	Percentage of Attendance
Mr. Annandan A/L Chandran	Chairman	3/3	100%
Ms. Foo Yit Lan	Member	3/3	100%
Ms. Madeline Lee May Ming	Member	3/3	100%

The Terms of Reference of the RC, outlining the RC's objectives, composition, proceeding of meetings, circular resolution, authority and duties and responsibilities, is available on the Company's website at <https://teladan.my/investor-relations/corporate-governance/>.

(10) Directors' Remuneration

The details of remuneration of Directors of the Company comprising remuneration received/receivable from the Group and the Company during the FYE 2025 are as follows:

(a) Group

Name of Directors	Fees RM'000	Allowance RM'000	Salary RM'000	Bonus RM'000	Benefits- in-kind RM'000	Other emoluments RM'000	Total RM'000
Independent Non-Executive Directors							
Roy Thean Chong Yew	90.0	4.5	-	-	-	-	94.5
Annandan A/L Chandran	54.0	10.0	-	-	-	-	64.0
Madeline Lee May Ming	54.0	10.0	-	-	-	-	64.0
Foo Yit Lan	66.0	10.0	-	-	-	-	76.0
Non-Independent Non-Executive Directors							
Teo Lay Lee	126.0	4.5	-	-	-	-	130.5
Teo Siew May	126.0	4.5	-	-	-	-	130.5
Executive Directors							
Teo Lay Ban	-	-	912.0	912.0	103.3	220.3	2,147.6
Sia Ah Piew	-	-	396.0	528.0	41.3	119.8	1,085.1

CORPORATE GOVERNANCE OVERVIEW STATEMENT

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

Part III: Remuneration (Cont'd)

(10) Directors' Remuneration (Cont'd)

(b) Company

Name of Directors	Fees RM'000	Allowance RM'000	Salary RM'000	Bonus RM'000	Benefits-in-kind RM'000	Other emoluments RM'000	Total RM'000
Independent Non-Executive Directors							
Roy Thean Chong Yew	90.0	4.5	-	-	-	-	94.5
Annandan A/L Chandran	54.0	10.0	-	-	-	-	64.0
Madeline Lee May Ming	54.0	10.0	-	-	-	-	64.0
Foo Yit Lan	66.0	10.0	-	-	-	-	76.0
Non-Independent Non-Executive Directors							
Teo Lay Lee	54.0	4.5	-	-	-	-	58.5
Teo Siew May	54.0	4.5	-	-	-	-	58.5
Executive Directors							
Teo Lay Ban	-	-	-	-	-	-	-
Sia Ah Piew	-	-	-	-	-	-	-

(11) Remuneration of Top Five (5) Key Senior Management

The top five senior management's remuneration component including salaries, allowance, bonus, benefits and other emoluments are as follows:-

Name	Position	Salary RM'000	Allowance RM'000	Bonus RM'000	Benefits RM'000	Other emoluments RM'000	Total RM'000
Teo Lay Ban	Managing Director	900-950	0-50	900-950	100-150	200-250	2,100-2,150
Sia Ah Piew	Executive Director	350-400	0-50	500-550	0-50	100-150	1,050-1,100
Allan Ngu Kea Ping*	Chief Executive Officer	50-100	0-50	0-50	0-50	0-50	50-100
Ng Mih Fern	Financial Controller	150-200	0-50	100-150	0-50	0-50	300-350
Tong Siok Meng	Head of Marketing	300-350	0-50	350-400	0-50	100-150	800-850



CORPORATE GOVERNANCE OVERVIEW STATEMENT

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

Part III: Remuneration (Cont'd)

(11) Remuneration of Top Five (5) Key Senior Management (Cont'd)

*Mr. Allan Ngu Kea Ping was appointed as Chief Executive Officer of the Company with effect from 1 November 2025.

PRINCIPLE B - EFFECTIVE AUDIT AND RISK MANAGEMENT

(12) AC

(a) Composition

- The AC consists of three (3) INEDs which complied with Paragraph 15.09(1)(b) of the MMLR whereby the AC shall only consist of Non-Executive Directors and majority of whom are INED.
- The Chairperson of the AC, Ms. Foo Yit Lan, is not the Chairman of the Board.
- None of the AC members was a former key audit partner of the Company's auditors. In line with the MCCG, the Board has adopted the terms of reference of the AC that no former key audit partner could be appointed as a member of the AC before observing a cooling-off period of at least three (3) years.

(b) Financial Literacy

- Upon review on the performance of the AC for the FYE 2025, the Board noted all members of the AC were financially literate and have the relevant accounting, finance and/or related financial experience and expertise to effectively discharge their duties.
- The qualification and experience of the individual AC members are disclosed in the Directors' Profile in this Annual Report.

(c) AC Report

- For detailed information on the AC with regards to its composition, activities and its report, please refer to the AC report in this Annual Report.

(13) Suitability, Objectivity and Independence of the External Auditors

- The AC is assigned to assess, review and supervise the performance, suitability, objectivity and independence of the External Auditors.
- The Board has adopted policies and procedures to assess the suitability, objectivity and independence of the external auditors ("EA Policy") which set out the criteria to enable the AC to conduct its evaluation impartially.
- Evaluation of the External Auditors is carried out on a yearly basis to determine its continuance suitability, objectivity and independence via a formal assessment form. The AC remains confident that the objectivity and independence of the External Auditors are not in any way impaired by reason of the non-audit services provided to the Group.
- The Board, through the AC, maintains a formal and transparent relationship with its External Auditors in seeking professional advice.
- The AC met up with the External Auditors without the presence of the Executive Board members and Management twice for FYE 2025 regarding audit planning, adequacy of controls, and other relevant audit and accounting issues.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

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

(13) Suitability, Objectivity and Independence of the External Auditors (Cont'd)

- For the FYE 2025, the AC and Board have assessed the provision of the non-audit services rendered by the affiliates of the EA.
- The External Auditors confirmed their independence to the AC and that there was no conflict of interest for the audit and non-audit services engagement during the FYE 2025.

(14) Risk Management and Internal Control

- The Board is responsible for the overall and oversight of risk management of the Group, covering the systems of risk management and internal control for financial, operational and compliance while the Executive Directors together with the key senior management are primary responsible for managing risks in the Group.
- The Statement on Risk Management and Internal Control (“**SORMIC**”) is set out in this Annual Report detailing the state and fundamentals of the risk management and internal control systems in the Group as well as the review mechanism of the Board. The Board has expressed in the SORMIC that they are satisfied with the effectiveness and adequacy of the existing level of systems of risk management and internal control.
- The Internal Audit Function (“**IAF**”) is outsourced to an internal audit consulting firm. Further details of IAF are reported in the AC Report.

PRINCIPLE C - INTEGRITY IN CORPORATE REPORTING AND MEANINGFUL RELATIONSHIP WITH STAKEHOLDERS

(15) Corporate Reporting

- In presenting the annual financial statements and quarterly announcements of its results, the Board is committed to provide a balanced, fair and comprehensive assessment of the Group's state of affairs in relation to its financial performance. In order to achieve the above, adequate financial processes are in place, aimed at keeping the Group's accounting records and transactions in accordance with accepted accounting standards.
- The AC assisted the Board by reviewing the financial statements with management and the External Auditors to ensure the accuracy and adequacy of all the information to be disclosed as well as to ensure its compliance with the requirements of the rules and regulations of the regulators and approved accounting standards. The Financial Controller also presented to the AC and the Board the detailed presentations on the financial results.
- The Statement of Directors' Responsibility pursuant to the MMLR on its responsibilities in preparing the audited financial statements is set out in another section of this Annual Report.

(16) Communication with Stakeholders

(a) Communication Channels

- Information on the Group's business and corporate development, annual reports, circulars, general meetings, press releases, quarterly financial results and timely announcements on material corporate exercises are the primary modes of disseminating information on the Group's business activities and financial performance. These form an important channel of communication to reach the stakeholders.



CORPORATE GOVERNANCE OVERVIEW STATEMENT

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

(16) Communication with Stakeholders (Cont'd)

(b) Official Spokesperson

- The MD is the designated spokesperson for all matters related to the Group and dedicated personnel were tasked to prepare and verify material information for timely disclosure upon approval by the Board.

(c) Corporate Website

- The Company maintains a website at <https://teladan.my/> for shareholders, investors and general public to access information on, amongst others, the Group's corporate profile, products, financial performance announcements published on Bursa Securities' website, Board Charter and Board Committees' terms of reference and corporate information.

(17) Conduct of General Meetings and Participation at AGM

(a) Notice of AGM

- The Notice of the forthcoming 7th AGM would be issued at least twenty-one (21) days prior to the AGM, in compliance with the requirements of the Companies Act 2016. Although the notice period would be shorter than the twenty-eight (28) days recommended by the MCCG, the Company would ensure timely dissemination of comprehensive information to shareholders.
- **Publication of Notice of AGM on corporate website**

In addition to the publication on a national daily newspaper, pursuant to Section 320(2) of the Companies Act 2016, a copy of the Notice of AGM together with the proxy form would be made available at the corporate website of Teladan Group Berhad at <https://teladan.my/investor-relations/investor-centre-reports/>

(b) Directors' Commitment

All Directors of the Company have committed to being present at the Company's 7th AGM to answer any questions that the shareholders may ask, be it physical or hybrid meeting.

(c) Poll Voting and Shareholders' Participation

- For the 6th AGM of the Company held on 27 May 2025, it was conducted on a physical basis and the resolutions tabled at the 6th AGM were all voted by poll.

Key CG future priority for Financial Year ending 31 December 2026 ("FYE 2026")

Upon review, the Board has outlined its key CG priorities for FYE 2026 as follow:-

- Ensuring the integrity of the Group's financial accounting and reporting process be maintained;
- Continuous monitoring on strategic management of material sustainability matters undertaken by Management;
- Ensuring the internal and external audit process as well as risk management oversight by the Board be duly maintained; and
- Enhancement to the Sustainability Framework of the Company in compliance with the Sustainability Reporting Framework as laid down by Bursa Securities.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

COMPLIANCE WITH MCCG

The Board is satisfied that during the FYE 2025, the Company has substantially complied with the best practices in MCCG on the application of the principles and best practices in corporate governance, except for the following:

- Practice 13.3: Listed companies should leverage technology to facilitate
 - voting including voting in absentia; and
 - remote shareholders' participation at general meetings.

The departure of the above practice would be explained in the CG Report.

This Statement and the CG report are made in accordance with a resolution of the Directors passed on 15 April 2026.



STATEMENT OF DIRECTORS' RESPONSIBILITY FOR PREPARING THE FINANCIAL STATEMENTS

In accordance with the Companies Act 2016 and the applicable approved accounting standards, the Directors are required to prepare annual financial statements that give a true and fair view of the financial position and the results and cash flows of the Group and of the Company for that financial year then ended.

The Directors have reviewed the accounting policies to ensure that they are consistently applied throughout the financial year and are of the view that relevant approved accounting standards have been followed in the preparation of these financial statements. In cases where judgements and estimations were made, they were based on reasonableness and prudence.

The Directors have relied on the system of internal controls to ensure that the information generated for the preparation of the financial statements from the underlying accounting records are accurate and reliable.

The Directors are responsible for ensuring that the Company maintains accounting records which disclose with reasonable accuracy of the financial position of the Group and the Company, and which enable them to ensure that the financial statements comply with the provisions of the Companies Act 2016.

The Directors have general responsibilities for taking such steps that are reasonably available to them to safeguard the assets of the Group, and to prevent and detect frauds and other irregularities.

This Statement of Directors' Responsibility for preparing the financial statements is approved by the Board of Directors on 15 April 2026.

ADDITIONAL COMPLIANCE INFORMATION

The following information is provided in accordance with Paragraph 9.25 of the MMLR as set out in Appendix 9C thereto.

1. Utilisation of Proceeds

No proceed were raised by the Company from any corporate proposal during the financial year ended 31 December 2025.

2. Recurrent Related Party Transactions of a Revenue Nature

During the financial year under review, the Group has not entered into any recurrent related party transactions of a revenue or trading nature.

3. Audit and Non-Audit Services

For the financial year ended 31 December 2025 (“**FYE 2025**”), Messrs. RSM Malaysia PLT, the external auditors, has rendered certain audit and non-audit services to the Company and the Group, an actual breakdown of which is listed as below for information:-

	Company (RM)	Group (RM)
Audit services rendered		
Statutory audit in respect of FYE 2025	30,000	266,100
Tax fees in respect of FYE 2025	5,300	54,300
Review of the Statement on Risk Management and Internal Control for Annual Report 2025	5,000	5,000
Total	40,300	325,400

4. Material Contracts

There was no material contract entered into by the Group involving the interest of Directors, and major shareholders, either still subsisting as at the end of the financial year or entered into since the end of the previous financial year.

5. Disclosure of Financial Data for Shariah Screening

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

ADDITIONAL COMPLIANCE INFORMATION

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

(a) Group Total Income and Total Assets

	Remark	Group	
		2025 (RM)	2024 (RM)
Total Income			
Revenue		304,622,781	321,025,474
Other income		1,921,527	1,321,974
Interest income		1,320,648	1,022,271
Total		307,864,956	323,369,719
Total Assets		1,035,083,108	989,515,726

(b) Business Activities

	Remark	Group	
		2025 (RM)	2024 (RM)
Shariah Non-Compliant Activities			
Rental income received from tenant involved in Shariah non-compliant activities		146,043	268,700
Interest income	Conventional	1,169,227	841,788
Total		1,315,270	1,110,488

(c) Component of Financial Position

(i) Cash Component

	Group	
	2025 (RM)	2024 (RM)
Islamic Account/Instruments		
Cash in hand	3,266	3,328
Cash held under Islamic Housing Development Accounts	8,489,586	10,150,116
Cash at bank (exclude cash in hand)	16,109,071	1,884,795
Deposit with licensed bank	4,257,618	4,157,510
Short-term funds	983	954
Total	28,860,524	16,196,703

	Group	
	2025 (RM)	2024 (RM)
Conventional Account/Instruments		
Cash held under Conventional Housing Development Accounts	11,142,112	9,489,780
Cash at bank (exclude cash in hand)	11,310,168	12,772,707
Deposit with licensed bank	13,534,212	14,910,523
Short-term funds	2,817	2,731
Total	35,989,309	37,175,741

ADDITIONAL COMPLIANCE INFORMATION

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

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

(ii) Debt Component

	Group	
	2025 (RM)	2024 (RM)
Islamic Financing		
Current		
Revolving credit and financing	24,888,519	14,698,531
Term financing	30,237,225	29,353,226
Non-Current		
Term financing	187,651,126	214,217,612
Total	242,776,870	258,269,369

	Group	
	2025 (RM)	2024 (RM)
Conventional Borrowing		
Current		
Bank overdrafts	1,990,170	1,995,823
Revolving credit and financing	33,611,079	30,000,000
Term financing	12,241,408	11,407,361
Non-Current		
Term financing	34,082,959	43,254,392
Total	81,925,616	86,657,576



AUDIT COMMITTEE REPORT

Preamble






- The Board is pleased to present the Audit Committee (“**AC**”) Report, which provides insights into the discharge of the AC’s functions during the financial year ended 31 December 2025 (“**FYE 2025**”), in compliance with Paragraph 15.15(1) of the Main Market Listing Requirements (“**MMLR**”) of Bursa Securities and the Malaysian Code on Corporate Governance (“**MCCG**”).

AUTHORITY

Pursuant to Clause 5.7.4 of the Board Charter, the Board has established an AC to assist the Board in discharging its statutory duties and responsibilities relating to accounting and practices of the Group. In addition, the AC also assisted in fulfilling the Board’s stewardship accountability to its shareholders and financial stakeholders. The AC is committed to its role in ensuring the integrity of the Group’s financial reporting process and monitoring the management of risk and system of internal controls, external and internal audit process, and such other matters that may be specifically delegated to the AC by the Board.

Compliance Dashboard

The AC is pleased to provide below a snapshot of the key corporate governance compliance by the AC for the FYE 2025: -

MCCG Practice	Applications by Teladan	
<p>Practice 9.1</p> <p>Chairman of the Audit Committee is not chairman of the Board</p>	<p>Chairman of the Board</p>  <p>Mr. Roy Thean Chong Yew</p>	<p>Chairperson of AC</p>  <p>Ms. Foo Yit Lan</p>
<p>Practice 9.2</p> <p>Cooling-off Policy of at least 3 years for any former partner of external audit firm and/or affiliated firm(s)</p>	<p>Incorporated in the TOR of AC</p> <p>During the financial year under review, none of the AC member is a former partner of the Company’s External Auditors.</p>	
<p>Practice 9.3</p> <p>Policies & Procedures to assess the suitability, objectivity and independence of external auditors</p>	<p>EA Policy & Procedures established</p>	
<p>Step-up Practice 9.4</p> <p>The Audit Committee comprises solely of independent directors</p>	<ul style="list-style-type: none"> The AC comprises solely of three (3) Independent Non-Executive Directors (“INEDs”) 	
<p>Practice 9.5</p> <p>AC Members possess wide range of skills and financially-literate</p>	<ul style="list-style-type: none"> AC members with diverse background, experience and skills, being financially-literate and able to understand the financial reporting process 	
<p>Practice 11.1</p> <p>Effective and independent internal audit function</p>	<ul style="list-style-type: none"> Appointed outsourced independent internal auditors, Needsbridge Advisory Sdn. Bhd. (“Needsbridge”) to undertake internal audit activities 	

AUDIT COMMITTEE REPORT

COMPOSITION

The AC comprises three (3) members, all of whom are Independent Non-Executive Directors. All of the members of the AC satisfied the test of independence under the MMLR and also met the requirements of the MCCG.

Furthermore, in adopting the **Step-Up Practice 9.4** of the MCCG, the AC comprises solely of Independent Directors.

The current composition of the AC is as follows:-

Name	Designation	Directorship
Foo Yit Lan	Chairperson	Independent Non-Executive Director
Annandan A/L Chandran	Member	Independent Non-Executive Director
Madeline Lee May Ming	Member	Senior Independent Non-Executive Director

The Chairperson of the AC, Ms. Foo Yit Lan, is an Independent Non-Executive Director. In this respect, the Company complies with Paragraph 15.10 of the MMLR. Furthermore, in compliance with Practice 9.1 of the MCCG, the Chairperson of the AC is not the Chairman of the Board.

Additionally, Ms. Foo Yit Lan is a registered Chartered Accountant with the Malaysian Institute of Accountants (“**MIA**”) and fellow member of Association of Chartered Certified Accountants (“**ACCA**”). In this respect, the Company complies with Paragraph 15.09(1)(c) of the MMLR.

Assessment on the Term of Office and Performance of the AC

The Nominating Committee (“**NC**”) had on 26 February 2026, reviewed the term of office and performance of the AC as well as whether its members have carried out their duties in accordance with the Terms of Reference of AC for the FYE 2025.

Upon review, the NC is satisfied with the overall performance of the AC and its individual members for FYE 2025. The NC had reported the outcome of assessment to the Board of Directors (“**Board**”) for notation.

Formal assessment on the External Auditors

In compliance with Practice 9.3 of the MCCG, the AC has adopted the policies and procedures to assess the suitability, objectivity and independence of the external auditors (“**the EA Policy**”) on annual basis. The EA Policy serves as a guidance for the AC when making recommendation to the Board on whether to seek shareholders’ approval at next AGM for the re-appointment of external auditors for the ensuing year.

The EA Policy sets out the criteria in which the AC would consider in assessing the suitability, objectivity and independence of the external auditors:-

- i) Fees;
- ii) Competence, audit quality and resource capacity;
- iii) Independence;
- iv) Non-audit services, if any; and
- v) Issues of material significance or matters of disagreement with the Management, if any.

The EA Policy also spells out the approval process for the non-audit services rendered by the external auditors or its affiliates, together with the necessary measures to ensure that the objectivity and independence of the external auditors is not impaired.

Upon assessment, the AC is satisfied with Messrs. RSM Malaysia PLT’s technical competency, effectiveness, suitability and independence during the financial year under review and has recommended to the Board for the latter’s re-appointment for FYE 2026. The Board, in turn, has recommended the same for shareholders’ approval at the forthcoming Seventh (7th) Annual General Meeting (“**7th AGM**”) of the Company.



AUDIT COMMITTEE REPORT

MEETINGS AND ATTENDANCES

The AC held a total of five (5) meetings during the FYE 2025 and the attendance of the members during the financial year under review were as below:-

Members	Total no. of meetings attended	Total no. of meetings held during tenure of office	Percentage of attendance
Ms. Foo Yit Lan	5	5	100%
Mr. Annandan A/L Chandran	5	5	100%
Ms. Madeline Lee May Ming	5	5	100%

The lead audit partner of the external auditors responsible for the Group had attended three (3) AC Meetings held in FYE 2025.

The external auditors were encouraged to raise to the AC, any matters they considered important to bring to the AC's attention. For FYE 2025, two (2) private sessions were held between the AC with the external auditors without the presence of the Executive Board members and management personnel.

The Chairperson of the AC also sought information on the communication flow between the external auditors and the Management which is necessary to allow unrestricted access to information for the external auditors to effectively perform their duties.

Notices of the AC Meeting were sent to the members of AC at least seven (7) days in advance unless there is exceptional case. Upon that, the Company Secretaries would then compile the relevant meeting papers for dissemination to the members of AC by email and/or hand.

All deliberations during the AC Meetings were duly minutes. Minutes of the AC Meetings were tabled for confirmation at every succeeding AC Meeting.

The Chairperson of the AC presented the Audit Committee's recommendations together with the respective rationale to the Board for approval of the annual audited financial statements and the unaudited quarterly financial results. As and when necessary, the Chairperson of the AC would convey to the Board, matters of significant concern raised by the internal and external auditors.

TERMS OF REFERENCE

The Terms of Reference ("TOR") of the AC was adopted by the Board on 23 December 2019 and revised on 18 November 2025, which is in line with the MMLR and MCCG.

The TOR of the AC is available for viewing under "Investors" section of the Company's website at <https://teladan.my/investor-relations/corporate-governance/>

SUMMARY OF WORKS

During the FYE 2025, the summary of works carried out by the AC were as follows:-

1. Overview of Financial Performance and Reporting

- Reviewed the unaudited quarterly financial results for the quarters ended 31 December 2024, 31 March 2025, 30 June 2025 and 30 September 2025 and recommended the same for the Board's approval.
- Reviewed the financial performance and financial highlights of the Group on quarterly basis.
- Reviewed the identified significant matters pursuant to Paragraph 15.12(1)(g)(ii) of the MMLR on quarterly basis.

AUDIT COMMITTEE REPORT

SUMMARY OF WORKS (CONT'D)

1. Overview of Financial Performance and Reporting (Cont'd)

- Reviewed the draft audited combined financial statements for the financial year ended 31 December 2024 and recommended the same for the Board's approval.
- Reviewed the Group's compliance with the accounting standards and relevant regulatory requirements.

2. Oversight of External Auditors

- Reviewed the Audit Planning Memorandum for the FYE 2025 prepared by the external auditors, entailing mainly the key audit matters, overview of audit approach, scope of work, auditing developments, significant risks and areas of audit focus of the Group.
- Met two (2) times with the external auditors without the presence of the Executive Directors and management personnel.
- Reviewed the effectiveness, suitability and independence of the external auditors vide a formalised "Assessment on External Auditors" and upon reviewed and being satisfied with the results of the said assessment, the same has been recommended to the Board for approval.
- Reviewed and discussed with the external auditors, the applicability and the impact of the new accounting standards and new financial reporting regime issued by the Malaysian Accounting Standards Board, and the scope of work and audit plan for the FYE 2025, including any significant issues and concerns arising from the audit.
- Reviewed the statutory audit fees for FYE 2025 and recommended the same for the Board's approval.
- Received assurance of independence by the engagement partner and his engagement team.

3. Oversight of Internal Audit Function

- Received assurance of independence by the engagement partner of NeedsBridge and his engagement team.
- Reviewed the risk-based Internal Audit Plan for the Group prepared by NeedsBridge for FYE 2025.
- Reviewed the Internal Audit Reports for the FYE 2025 and assessed the internal auditors' findings and the management's responses and made the necessary recommendations to the Board for approval.
- Reviewed the progress updates on the follow-up review of the previous Internal Audit Reports.
- Reviewed and assessed the adequacy of the scope, functions, competency and resources of the internal audit function in respect of FYE 2025.

4. Oversight of Internal Control Matters

- Reviewed and confirmed the minutes of the AC Meetings.
- Review the disclosures in AC Report, Additional Compliance Information, Statement on Risk Management and Internal Control and Corporate Overview Statement for inclusion in the Annual Report 2024.
- Deliberated and noted the key observations of the internal audit function of the Company.
- Received assurance from the Managing Director and Financial Controller on the status of internal control system of the Group for FYE 2025.



AUDIT COMMITTEE REPORT

SUMMARY OF WORKS (CONT'D)

5. Review of Related Party Transactions (“RPTs”) and Conflict of Interests (“COI”) (if any)

- Reviewed the RPTs and conflict of interest situation (in relation to the RPTs only) that arise within the Group on quarterly basis, including any transaction, procedure or course of conduct that raises questions on management integrity.

6. COI Policy, Administration and Reporting

- Reviewed a summary of any COI or potential COI situations within the Company/ Group.
- Reviewed and ascertained that no incident(s) of COI or potential COI arose during FYE 2025 based on the annual COI review.

Having reviewed the works carried out by the AC for FYE 2025, the Board is satisfied that the AC has carried out their responsibilities and duties in accordance with the AC's TOR.

INTERNAL AUDIT FUNCTION

(1) Internal Auditors

The internal audit function plays an important role to provide the Board, through the AC, reasonable assurance of the effectiveness of the system of internal control in the Group.

The internal audit function is independent and performs audit assignments with impartiality, proficiency and due professional care.

For FYE 2025, the engagement team personnel from NeedsBridge had affirmed to the AC that in relation to the Company/Group, they were free from any relationships or conflicts of interest, which could impair their objectivity and independence.

(2) Summary of Works of the Internal Audit Function for FYE 2025

During FYE 2025, the summary of works undertaken by the internal auditors comprised the followings:-

- Reviewed compliance with policies, procedures and standards, relevant external rules and regulations;
- Assessed the adequacy and effectiveness of the Group's system of internal control and recommended appropriate actions to be taken where necessary;
- The internal audits performed met the objective of highlighting to the AC the audit findings which required follow-up actions by the Management, any outstanding audit issues which required corrective actions to be taken to ensure an adequate and effective internal control system within the Group, as well as any weaknesses in the Group's internal control system;
- Ensured that those weaknesses were appropriately addressed and that recommendations from the internal audit reports and corrective actions on reported weaknesses were taken appropriately within the required timeframe by the Management;
- Presentation of audit findings and corrective actions to be taken by the Management in the quarterly AC Meetings; and
- Reviewed and assessed the key observation of the internal audit function of listed issuers as well as the accompanying findings of the thematic reviews and key takeaways, issued by Bursa Securities.

AUDIT COMMITTEE REPORT

INTERNAL AUDIT FUNCTION (CONT'D)

(3) Total costs incurred for FYE 2025

The total cost incurred for the outsourced internal audit function of the Group for the FYE 2025 was amounted to RM45,000/-.

(4) Continuing Education Programmes/ Trainings attended by AC

During FYE 2025, members of AC have attended the following continuing education programme/ trainings in furtherance of their knowledge in the area of accounting, budgetary, taxation, and financial reporting:-

Training(s) Attended
<ul style="list-style-type: none"> • MBRS 2.0 - KPMG MBRS Briefing Session • SSM webinar - MBRS 2.0 - Annual Return • MIA - Malaysian Business Reporting System (MBRS) 2.0 for preparers: Financial Statements • MIA - Carbon Accounting & Reporting: From Basics to Best Practices • ACCA - withholding tax & tax implication on cross-border transactions • ACCA - virtual seminar - post budget 2026 • Audit Oversight Board (AOB) - Conversation with Audit Committees • Malaysia Budget 2026 - Opportunities for Investors and Business • Budget 2026 - Building Resilient Businesses for Tomorrow

This AC Report is made in accordance with a resolution passed by the Board of Directors on 15 April 2026.



STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

INTRODUCTION

Pursuant to Paragraph 15.26(b) and Practice Note 9 of the Main Market Listing Requirements (“**Listing Requirements**”) of Bursa Malaysia Securities Berhad in relation to the requirement to prepare a statement about the state of risk management and internal control of the listed corporation as a group, and as guided by the Statement on Risk Management and Internal Control: Guidelines for Directors of Listed Issuers (“**SORMIC Guide 2025**”) and the Malaysian Code on Corporate Governance 2021 (“**MCCG**”), the Board of Teladan Group Berhad (“**TGB**” or “**the Company**”) (collectively with its subsidiaries, “**the Group**”) is pleased to present the statement on the state of risk management and internal controls of the Group for the financial year ended 31 December 2025. The scope of this Statement includes the Company and its operating subsidiaries.

BOARD RESPONSIBILITIES

The Board, being the highest governing body accountable for organisational oversight, affirms its overall responsibility for maintaining a sound governance, risk management and internal control system and for reviewing their adequacy and effectiveness so as to provide assurance on the achievement of the Group’s mission, vision, core values, strategies and business objectives as well as to safeguard all its stakeholders’ interests and protecting the Group’s assets. The Board ultimately determines the risk appetite of the Group based on the risk capacity, strategies, internal and external business context, business nature and corporate lifecycle. The Board is committed to the establishment and maintenance of an appropriate control environment that is embedded into the corporate culture, strategies and processes of the Group as well as to articulate the importance of adequate and effective risk management and internal control system.

The Board delegates the duty of identification, assessment and management of key business risks and opportunities to the Sustainability and Risk Management Working Group (“**SRMWG**”, renamed from Risk Management Working Group or “**RMWG**” effective 27 February 2026) while the Sustainability and Risk Management Committee (“**SRMC**”, renamed from Risk Management Committee or “**RMC**” effective 27 February 2026) and Audit Committee (“**AC**”), through their respective terms of reference approved by the Board, are delegated with the duties to review the adequacy and effectiveness of risk management and internal control system of the Group and to provide assurance to the Board on the adequacy and effectiveness of such risk management and internal control system. Through both the SRMC and AC, the Board is kept informed on all significant risks and control issues brought to attention by the SRMWG, the internal audit function and the external auditors. Thereafter, the Board is provided with reasonable assurance that any impact arising from foreseeable future events or situations is properly managed and/or mitigated.

The system of internal control covers, inter-alia, control environment, risk assessment, control activities, information and communication and monitoring activities. However, in view of the limitations that are inherent in any system of internal control, it is designed to manage, rather than to eliminate, the risk of failure to achieve the Group’s business objectives. Accordingly, the system of internal control can only provide reasonable and not absolute assurance against material misstatement of losses and fraud.

RISK MANAGEMENT

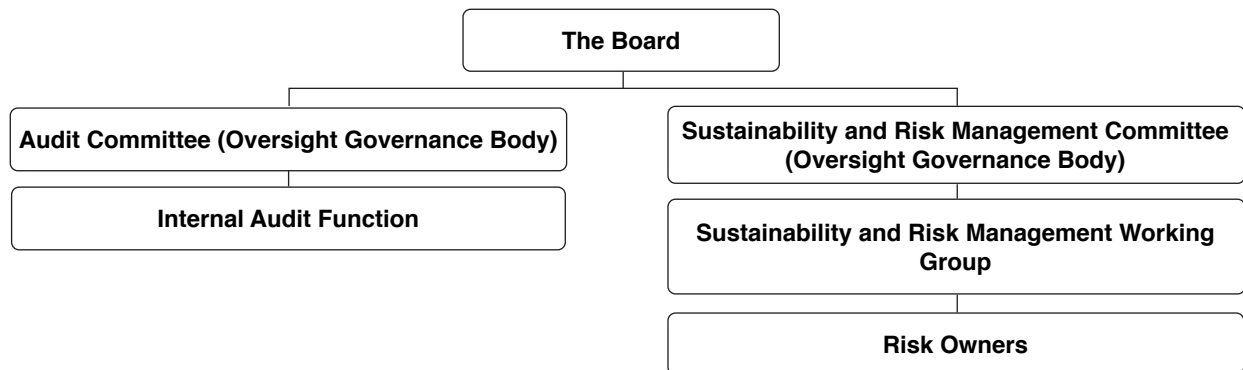
The Board recognises risk management as an integral part of the internal control system and good management practices in the pursuits of its mission, vision, core values, strategies and business objectives. The Board maintained a continuous commitment to identifying, evaluating and managing significant risks and opportunities (including sustainability) faced by the Group systematically during the financial year under review. The Board had put in place a formal Group Risk Management Framework, as the governance structure and processes for enterprise-wide risk management, in order to embed risk management practices into all levels of the Group and to manage key business risks faced by the Group as well as to optimise key business opportunities available to the Group adequately and effectively. Duties for the identification, evaluation and management of the key business risks and opportunities are delegated to the members of the SRMWG (i.e. Risk Owners), jointly led by the Managing Director and Financial Controller (per first line roles of the IIA’s Three Lines Model).

The principles, practices and process of the Group Risk Management Framework established by the Board are, in material aspects, guided by the ISO 31000:2018 – Risk Management Guidelines.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

RISK MANAGEMENT (CONT'D)

The Group Risk Management Framework established lays down the risk management objectives and processes as well as the governance structure of risk management activities of the Group which are as follows:-



Clear roles and responsibilities of the Board, AC, SRMC, SRMWG, Risk Owners and internal audit function are defined in the Group Risk Management Framework. In particular, the roles and responsibilities of the SRMWG in relation to risk management are as follows:-

- implement the Group Risk Management Framework as approved by the Board;
- implement the risk management process which includes the identification of key risks and devising appropriate action plan(s) in cases where existing controls are ineffective, inadequate or non-existent and communicating the risk management methodology to the Risk Owners;
- ensure that risk strategies adopted are aligned with the Group's organisational strategies. (e.g. vision/mission, corporate strategies/goals, etc.), Group Risk Management Framework and risk appetite/tolerance;
- continuous review and update of the Key Risk Registers of the Group due to changes in internal business processes, business strategies or external environment and determination of management action plan, if required;
- update the Board, through the SRMC, on changes to the Key Risk Registers on a periodical basis (at least on an annual basis) or when appropriate (e.g. due to significant changes to the internal business processes, business strategies or external environment) and the courses of action to be taken by management in managing the changes; and
- to perform risk identification and assessment in relation to major asset/business acquisition or divestment or business diversification or business consolidation and to report the results of the assessment to the Board for strategic decision making.

In addition, the Risk Owners, within their areas of expertise, are delegated with operational responsibilities with the following roles and responsibilities:-

- manage the risks of the business processes under his/her control;
- continuously identify risks and evaluate existing controls. If controls are deemed ineffective, inadequate or non-existent, to establish and implement controls to reduce the likelihood and/or impact.
- to report to the SRMWG of the emergence of new business risks or changes in the existing business risks on a timely manner
- to assist the SRMWG in the development of management action plans and implement these action plans;
- assist the SRMWG with the update (at least annually) of the changes in the Key Risks Register, management action plans and the statuses of these plans;
- ensure that staff working under him/her understand the risk exposure of the relevant processes under his/her duty and the importance of the related controls; and
- ensure adequacy of training for staff on risk and opportunity management.

Governance Framework

The Group's governance framework adopted the "Three Lines of Defence" model which aligned with the SORMIC Guide 2025, where Management forms the first line of defence, risk management and compliance functions constitute the second line of defence, and internal audit serves as the third line of defence by providing independent assurance.



STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

RISK MANAGEMENT (CONT'D)

Governance Framework (Cont'd)

1st Line of Defence	Risk Owners, SRMWG (“Management”)	Management is responsible for: <ul style="list-style-type: none"> • Identifying, evaluating and managing risks • Implementing and maintaining effective internal controls • Ensuring compliance with policies and procedures
2nd Line of Defence	AC, SRMC and the Board	These functions are responsible for: <ul style="list-style-type: none"> • Establishing risk management frameworks and policies • Monitoring adherence to risk management practices • Providing guidance and oversight on risk and compliance matters, including ESG risks
3rd Line of Defence	Internal Audit Function	Supported by the Outsourced Internal Audit Service Provider <p>Internal Audit provides independent assurance to the Audit Committee on:</p> <ul style="list-style-type: none"> • The adequacy and effectiveness of internal controls • The effectiveness of risk management processes • The state of governance within the Group

A systematic risk management process is stipulated in the Group Risk Management Framework, whereby each step of the risk and opportunity identification, evaluation, control identification, treatment and control activities are laid down for application by the SRMWG and Risk Owners. Risk and opportunity assessment, at gross and residual levels, are guided by the likelihood rating and impact rating established by the Board based on the risk appetite deliberated, accepted and approved by the Board.

Based on the risk management process, Key Risk Registers were compiled by the Risk Owners, with relevant key risks and opportunities identified rated based on the agreed upon risk and opportunity rating which were then assessed by the Managing Director and Financial Controller. Subsequently, the SRMWG (per second line roles of the IIA’s Three Lines Model) collectively reviews the Key Risk Registers before reporting by the Financial Controller (on behalf of the SRMWG) to the SRMC via the Key Risk Profile.

The Key Risk Registers were primarily used for the identification of high residual risks which are above the risk appetite of the Group that require the management and the Board’s immediate attention and risk treatment as well as for future risk monitoring. In addition, key opportunities identified were registered in relevant Key Risk Registers for the monitoring of implementation of action plans to ensure its achievement. As an important risk and opportunity monitoring mechanism, the management is scheduled to review the Key Risk Registers of key operating subsidiaries and assessment of emerging risks and opportunities identified at strategic and operational levels on an annual basis or on a more frequent basis if circumstances require so and to report to the SRMC on the results of the review and assessment.

During the financial year under review, the SRMWG conducted a risk update exercise whereby existing strategic, governance, financial, fraud, sustainability and key operational risks as well as opportunities of the Company and all operating subsidiaries were assessed, reviewed and updated into the Key Risk Registers for on-going risk and opportunities monitoring. Key Risk Profile (including but not limited to, Key Risk Registers, existing control activities for risks mitigation and opportunities optimisation, likelihood and impact rating used and risk management process employed for review and assessment exercise by the management) was compiled and tabled to the SRMC for its review and deliberation on the adequacy and effectiveness and thereafter results were reported to the Board, which assumes the primary responsibility for risk management of the Group.

At the strategic level, business plans, business strategies and investment proposals with risks, opportunities and sustainability consideration are formulated by the Managing Director and presented to the Board for review and deliberation to ensure proposed plans and strategies are in line with the Group’s risk appetite. In addition, specific strategic and key operational risks and opportunities are highlighted and deliberated by the SRMC and/or the Board during the review of the financial performance of the Group in scheduled meetings.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

RISK MANAGEMENT (CONT'D)

While led by the Managing Director and Financial Controller, the respective Risk Owners are responsible for managing the risks under their responsibilities, i.e. the effective and efficient operational risk monitoring and management by way of maintaining effective internal controls and executing control procedures on a day-to-day basis. Changes in the key risks or emergence of new risks are identified through daily operational management and controls and review of financial and operational reports by the respective levels of management generated by internal management information system supplemented by external data and information collected. The respective Risk Owners are responsible to assess the changes to existing risks and emergences of new risks and to formulate and implement effective controls to manage the risks. Material risks are highlighted to the Managing Director as well as the SRMWG for the final decision on the formulation and implementation of effective internal controls and reported respectively to the SRMC and the Board by the representative(s) of the SRMWG.

The monitoring of risk management conducted by the Group is enhanced by the internal audits carried out by the internal audit function (per third line roles of the IIA's Three Lines Model) with specific audit objectives and business risks identified for each internal audit cycle based on the internal audit plan reviewed by the AC and approved by the Board.

The above process has been practised by the Group for the financial year under review and up to the date of approval of this statement.

References could be made to the Management Discussion and Analysis for the significant risks faced by the Group and the mitigation plans implemented.

INTERNAL CONTROL SYSTEM

The key features of the Group's internal control system are made up of five core components, i.e. Control Environment, Risk Assessment, Control Activities, Information and Communication and Monitoring Activities with principles representing the fundamental concepts associated with each component explained as follows:-

- **Board of Directors/Board Committees**

The roles, functions, composition, operation and processes of the Board are guided by the formal Board Charter whereby roles and responsibilities of the Board, individual Directors, the Independent Non-Executive Chairman and the Managing Director (including Executive Director) are specified to preserve the independence of the Board from the management and to enhance oversight roles of the Board.

Board Committees (i.e. AC, SRMC, Remuneration Committee and Nominating Committee) are established to carry out duties and responsibilities delegated by the Board, governed by written terms of reference.

Meetings of Board of Directors, AC and SRMC are carried out on a scheduled basis to review the performance of the Group, from financial to operational perspectives, while meetings of the Remuneration Committee and Nominating Committee are carried out at least once annually or when required. Business plans and business strategies are proposed by the Managing Director for the Board's review and approval, after taking into risk consideration and responses.

- **Integrity and Ethical Value**

The tone from the top on integrity and ethical value are enshrined in the formal Codes of Conduct and Ethics approved by the Board. These codes forms the foundation of integrity and ethical value for the Group.

Integrity and ethical value expected from the employees are incorporated in the Employee Handbook whereby ethical standards expected from employees are stated. Codes of conduct expected from employees when carrying out their assigned duties and responsibilities are also established and formalised in the Employee Handbook.



STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

INTERNAL CONTROL SYSTEM (CONT'D)

- **Integrity and Ethical Value (Cont'd)**

To further strengthen ethical principles throughout the Group, a formal Anti-Bribery and Corruption Policy had been put in place by the Board to prevent and manage bribery risks and conflict of interests within the Group. In addition, a Whistleblowing Policy had been implemented for all stakeholders to, at the earliest opportunity, raise genuine concerns about possible improprieties in matters of unethical behaviour, malpractices, illegal acts or failure to comply with regulatory requirements.

The Codes of Conduct and Ethics are monitored via control activity monitoring mechanisms implemented, with non-compliances timely detected and investigated with appropriate corrective action, including but not limited to disciplinary actions, taken to rectify any non-compliances.

- **Organisation Structure, Accountability and Authorisation**

The Group has a well-defined organisation structure in place with clear lines of reporting and accountability, with the Board assuming the oversight role. The Group is committed to employing suitably qualified staff so that the appropriate levels of authorities and responsibilities can be delegated while accountability of performance and controls are assigned accordingly to competent staff to ensure operational efficiency. The establishment and communication of job responsibilities and accountability of performance and controls for key positions are further enhanced via job functions established by the management.

- **Performance Measurement**

Key performance indicators, including targets, are established for the monitoring of performances of key departments and for reporting to the Managing Director at scheduled intervals.

Annual financial budgets (profit and loss, financial position and cash flow) and forecasts for the Group are presented to and approved by the Board on an annual basis. Actual performances are monitored against budgets to identify significant variances for prompt actions to be taken.

- **Succession Planning and Human Resource**

It is the Board's commitment that the Group identifies and satisfies the needs of employees to continuously develop their knowledge, skills and competency for personal development and corporate excellence. Succession planning controls and monitoring are in place to ensure key roles within the Group are supported by competent and proficient second-in-line to minimise the impact of any abrupt departure of key personnel.

The Group's Employee Handbook, Letter of Appointment and Code of Conduct set out the general employment terms and conditions, the tone for control, consciousness and conducts. They are designed to provide guidelines to employees with the objective of ensuring all employees understand issues and matters during the tenure of their employment. Together with the employees' job description, these guidelines clearly define the Group's values and policies, Group's expectation of employees and employees' expectations towards the Group.

Performance evaluations are carried out for all levels of staff to identify performance gaps, for training needs identification and talent development and form the basis of the incentives and promotion.

- **Risk Assessment and Control Activities**

Risk assessment, including fraud, bribery and sustainability risks, is performed by Risk Owners at scheduled intervals or when there is change in internal and/or business context in accordance with the Group Risk Management Framework. Internal controls, as risk responses, are formulated and put in place to mitigate risks identified to a level acceptable by the Board, i.e. the risk appetite and tolerance level.

The Group has documented policies and procedures that are regularly reviewed and updated to ensure its relevance and to support the Group's business activities in achieving its business objectives.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

INTERNAL CONTROL SYSTEM (CONT'D)

- **Information and Communication**

At operational level, clear reporting lines are established across the Group and operation reports are prepared for dissemination of critical information to relevant personnel for effective communication throughout the Group and for timely decision making and execution in pursuit of strategies and business objectives. Matters that require the Board and the Senior Management's attention are highlighted for review, deliberation and decision on a timely basis.

The Group had put in place effective and efficient information and communication infrastructures, communication channels (i.e. computerised systems, secured intranet, electronic mail system and modern telecommunication) and processing system, so that operation data and external data can be collected and processed into relevant and adequate information and be communicated timely, reliably and securely to dedicated personnel within the Group for decision making and for communication with relevant external stakeholders. Apart from that, relevant financial and management reports are generated for different levels of management and employee for their review and decision making. Management and board meetings are held for effective two-way communication of information at different levels of management and the Board.

Communication of policies and procedures of the Group are conducted via written format, electronic mail system and/or in-house trainings by respective risk or control owners.

- **Monitoring and Review**

At operational level, monitoring activities are embedded into the policies and procedures established by the management with incidents of non-compliance or exceptions noted being escalated to the appropriate level of management. Key performance indicators are in place to monitor the performance of key departments, periodic management meetings are held to discuss and review budgets, financial and operational performance of key departments of the Group. The monitoring of compliance with relevant laws and regulations are further enhanced, when deemed necessary, by reviewing specific areas of safety, health and environment by independent consultants engaged by the Group and enforcement bodies.

Apart from the above, quarterly financial statements which contain key financial results are presented to the Board for their review. Financial performance reports are also presented by the Managing Director and Financial Controller during the Board's meeting to assess the financial performance of the Group.

Corrective actions are formulated and implemented for any incidents of non-compliance and exceptions reported with its implementation monitored.

In addition to internal audits, significant control issues, if any, are highlighted by the External Auditors as part of their statutory audits.

INTERNAL AUDIT FUNCTION

Review of the adequacy and effectiveness of the Group's risk management and internal control system is outsourced to an independent professional firm, NeedsBridge Advisory Sdn. Bhd. ("**NeedsBridge**"), which, through the AC, provides the Board with the assurance it requires in respect of the adequacy and effectiveness of the Group's system on risk management and internal control. To uphold the professional firm's independence and objectivity, the outsourced internal audit function reports directly to the AC. At least once annually, the AC will meet with the outsourced internal audit function without the presence of management to promote free flow of information.

NeedsBridge is adequately resourced by consistently maintaining a workforce of 18 to 20 personnel. The internal audits are carried out, in material aspects, in accordance with the global guidance of the International Professional Practices Framework ("**IPPF**"), i.e. Global Internal Audit Standards and Topical Requirements established by the Institute of Internal Auditors Global. The engagement director, Mr. Lau Min Wei (Andrew), is a professional member of the Institute of Internal Auditors Malaysia. During the financial year under review, the resources allocated to the fieldwork of the internal audits by the outsourced internal audit function were one (1) manager, assisted by at least one (1) senior consultant and one (1) consultant per one (1) engagement with oversight performed by the director.



STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

INTERNAL AUDIT FUNCTION (CONT'D)

The audit engagement of the outsourced internal audit function is governed by the engagement letter and Internal Audit Charter approved by the Board for the financial year under review. Key terms of the engagement include purpose and scope of work, accountability, independence, the outsourced internal audit function's responsibilities, the management's responsibilities, the authority accorded to the outsourced internal audit function, limitation of scope of work, confidentiality, proposed fees and engagement team.

On the other hand, the Internal Audit Charter governs the internal audit function by specifying the purpose and mission of internal audit function, its roles, professionalism required, its authorities, the reporting structure, independence and objectivity required, its responsibilities, purpose of internal audit plan, reporting and monitoring and quality assurance and improvement programme.

To preserve independence and objectivity, the outsourced internal audit function is not permitted to act on behalf of the management, decide and implement management action plan, perform on-going internal control monitoring activities (except for follow up on progress of action plan implementation), authorise and execute transactions, prepare source documents on transactions, have custody of assets or act in any capacity equivalent to a member of the management or an employee of the Group.

The outsourced internal audit function is accorded unrestricted access to all functions, records, property, personnel, the AC and other specialised services from within or outside the Group and necessary assistance of personnel in units of the Group where they perform audits.

Based on the formal evaluation of the internal audit function and review of work performed and deliverables from the outsourced internal audit function during the financial year, the AC and the Board are satisfied:

- that the outsourced internal audit function is free from any relationships or conflicts of interest which could impair their objectivity and independence;
- within the scope of the outsourced internal audit function;
- that the outsourced internal audit function possesses relevant experience, knowledge, competency and authority to discharge its functions effectively, possesses sufficient resources and has unrestricted access to employees and information for the internal audit activities; and
- with the internal audit plan, processes and results of the internal audit.

A risk-based internal audit plan in respect of the financial year ended 31 December 2025 was drafted by the outsourced internal audit function, after taking into consideration the residual risks with potential high impact per the Key Risk Profile of the Group and the input from management regarding the existing business context and economic condition. Such internal audit plan was reviewed and approved by the AC prior to execution. Each internal audit cycle within the internal audit plan is specific on the audit objectives, key risks to be assessed and scopes of the internal control review.

The internal control review procedures performed by the outsourced internal audit function were designed to understand, document and evaluate risks and related controls to determine the adequacy and effectiveness of governance, risk structures, control structures and processes. Recommendations were formulated based on the root cause(s) of the internal audit observations. The internal audit procedures applied principally consisted of process evaluations through interviews with relevant personnel involved in the process under review, reviews of the standard operating procedures and/or process flows provided as well as observations of the functioning of processes in compliance with results of interviews, documented standard operating procedures and/or process flows. Thereafter, testing of controls for the respective audit areas through the review of the audit samples selected based on sample sizes calculated in accordance with a predetermined formulation, subject to the nature of testing and verification of the samples.

During the financial year ended 31 December 2025, in accordance with the internal audit plan reviewed and approved by the AC for execution, the outsourced internal audit function had conducted:

- a review of the Group's internal controls on treasury and fixed asset management, including cash flow planning, receipt, payment, banking, capital expenditure budgeting, fixed asset purchase and disposal and insurance coverage;
- a review of the Group's internal controls on management information systems and payroll processing, including system acquisition, security, access, server and data management, disaster recovery, hardware and compliance with laws and regulations; and
- two (2) follow ups on progress of action plans implementation.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

INTERNAL AUDIT FUNCTION (CONT'D)

Upon the completion of each internal audit fieldwork during the financial year, the Internal Audit Report was presented to the AC during its scheduled meeting. During the presentations, the internal audit findings, priority levels, risks or potential implications, recommendations, management's responses and action plans, person-in-charge and targeted date of implementation were presented and deliberated with the members of the AC. This is to enable the AC to form an opinion on the adequacy and/or effectiveness of the governance, risk and control of the business process under review. In addition, progress follow ups were performed by the outsourced internal audit function on the management action plans that had not been implemented in the previous internal audit fieldwork by way of verification via physical observation or through verification of sample provided by person-in-charge to substantiate the implementation of the management's action plans. The updates on the statuses of action plans were presented via the Action Plan Progress Report tabled at the subsequent AC meeting for review and deliberation.

In addition, during the AC meeting, the outsourced internal audit function reported its staff strength, qualification and experience as well as continuous professional education for the AC to review.

The cost incurred in maintaining the outsourced internal audit function for the financial year ended 31 December 2025 amounted to RM45,000.

ASSURANCE FROM THE MANAGEMENT

In line with the Guidelines, the Board had received reasonable assurance in writing from the Managing Director and Financial Controller, that the Group's risk management and internal control system have operated adequately and effectively, in all material aspects, to meet the Group's objectives during the financial year under review.

OPINION AND CONCLUSION

Based on the review of the results of risk management activities, the results of the internal audit activities, the monitoring and review mechanism stipulated above, coupled with the assurance provided by the management, the Board is of the opinion that the risk management and internal control systems of the Group are satisfactory and have not resulted in any material losses, contingencies or uncertainties that would require disclosure in the Group's Annual Report. The Board continues to take pertinent measures to sustain and, where required, improve the Group's risk management and internal control system in implementing the Group's strategies and achieving business objectives.

The Board is committed towards maintaining an effective risk management and internal control system throughout the Group and, where necessary, putting in place appropriate action plans to further enhance the Group's risk management and internal control system and improving the risk maturity within the Group. Notwithstanding this, the Board will continue to evaluate and manage the significant business risks faced by the Group in order to achieve its mission, vision, core values, strategies and business objectives in the current and challenging business environment.

ASSURANCE PROVIDED BY EXTERNAL AUDITORS

Pursuant to Paragraph 15.23 of the Listing Requirements, the External Auditors have undertaken a limited assurance engagement on this Statement on Risk Management and Internal Control. The limited assurance engagement was performed in accordance with Audit and Assurance Practice Guide "AAPG" 3: *Guidance for Auditors on Engagements to Report on the Statement on Risk Management and Internal Control included in the Annual Report*, issued by the Malaysian Institute of Accountants. Based on their review, nothing had come to their attention that caused them to believe that this Statement was not prepared, in all material aspects, in accordance with the disclosures required by Section 7 of the SORMIC Guide 2025 to be set out, nor is this Statement factually inaccurate.

The External Auditors are not required to, and do not, consider whether the Directors' Statement on Risk Management and Internal Control covers all risks and controls, or to form an opinion on the adequacy and effectiveness of the Group's risk management and internal control system including the assessment and opinion by the Board of Directors and Management thereon. The External Auditors are also not required to consider whether the processes described to deal with material internal control aspects of any significant problems disclosed in the Annual Report will, in fact, remedy the problems.

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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 31 December 2025.

PRINCIPAL ACTIVITIES

The principal activity of the Company is that of investment holding.

The principal activities of the subsidiaries are disclosed in Note 9 to the financial statements.

FINANCIAL RESULTS

	GROUP RM	COMPANY RM
Net profit for the financial year attributable to:		
Equity holders of the Company	28,000,052	32,077,315
Non-controlling interest	27,817	-
	28,027,869	32,077,315

In the opinion of the directors, the financial results of the Group and of the Company during the financial year have not been substantially affected by any item, transaction or event of a material and unusual nature.

DIVIDEND

The dividend on ordinary shares paid or declared by the Company since the end of the previous financial year was as follows:

	RM
In respect of the financial year ended 31 December 2025:	
Interim single-tier dividend of RM0.01 per ordinary share, paid on 31 December 2025	8,330,194

The directors do not recommend any final dividend in respect of the financial year ended 31 December 2025.

RESERVES AND PROVISIONS

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

ISSUE OF SHARES AND DEBENTURES

During the financial year, the Company increased its issued ordinary share capital from 814,458,302 shares to 854,685,502 shares through the issuance of 40,227,200 new ordinary shares pursuant to the conversion of Warrants at an exercise price of RM0.50 per ordinary share for cash.

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

The Company did not issue any new debentures during the financial year.



DIRECTORS' REPORT (CONT'D)

WARRANTS

Details of the warrants are disclosed in Note 16(b) to the financial statements.

TREASURY SHARES

Treasury shares relate to ordinary shares of the Company that are repurchased and held by the Company in accordance with the requirements of Section 127 of the Companies Act 2016 in Malaysia.

During the financial year, the Company repurchased 21,854,900 of its issued ordinary shares from the open market at an average price of RM0.9301 per share. There was no resale, cancellation or distribution of treasury shares during the financial year.

As at 31 December 2025, the Company held 21,854,900 treasury shares at a carrying amount of RM20,328,038.

OPTIONS GRANTED OVER UNISSUED SHARES

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

DIRECTORS

The directors who held office during the financial year until the date of this report are:

Teo Lay Ban*
Teo Lay Lee*
Teo Siew May*
Sia Ah Piew*
Annandan A/L Chandran
Foo Yit Lan
Madeline Lee May Ming
Roy Thean Chong Yew

* These directors are also directors of the Company's subsidiaries

During and at the end of the financial year, the Company was not a party to any arrangement whose object is to enable the directors to acquire benefits through the acquisition of shares in, or debentures of, the Company or any other body corporate.

DIRECTORS' REPORT (CONT'D)

DIRECTORS (CONTINUED)

The directors holding office at the end of the financial year and their beneficial interests in the ordinary shares of the Company and of its related corporations during the financial year ended 31 December 2025 as recorded in the Register of Directors' Shareholdings kept by the Company under Section 59 of the Companies Act 2016 in Malaysia were as follows:

	Number of ordinary shares			At 31.12.2025
	At 1.1.2025	Acquired	(Disposed)	
THE COMPANY				
Teo Lay Ban	337,003,762	-	-	337,003,762
Teo Lay Lee	89,978,080	-	-	89,978,080
Teo Siew May	89,978,080	-	-	89,978,080
Sia Ah Piew	489,500	-	(50,000)	439,500
Annandan A/L Chandran	10,000	-	-	10,000
Foo Yit Lan	78,000	-	-	78,000
Roy Thean Chong Yew	65,000	-	-	65,000

	Number of warrants			At 31.12.2025
	At 1.1.2025	Bonus Issue	(Exercised)	
THE COMPANY				
Teo Lay Ban	98,501,128	-	-	98,501,128
Teo Lay Lee	26,343,424	-	-	26,343,424
Teo Siew May	26,343,424	-	-	26,343,424
Annandan A/L Chandran	3,000	-	-	3,000

The terms and conditions of the warrants are disclosed in Note 16(b) to the financial statements.

Teo Lay Ban by virtue of his interest in the ordinary shares of the Company is also deemed to be interested in the ordinary shares of all the Company's subsidiaries to the extent that the Company has interest.

None of the other director holding office at the end of the financial year held any interest in the ordinary shares of the Company and of its related corporations.

Neither at the end of the financial year, nor at any time during that year, did there subsist any arrangement to which the Company was a party, whereby the Directors might acquire benefits by means of the acquisition of shares in or debentures of the Company or any other body corporate, other than those arising from warrants issued by the Company.

DIRECTORS' BENEFITS

Since the end of the previous financial year, no director has received or become entitled to receive any benefit (other than a benefit included in the aggregate amount of remuneration received or due and receivable by directors as shown in the notes to the financial statements or the fixed salary of a full time employee of the Company or of related corporations) by reason of a contract made by the Company or a related corporation with a director or with a firm of which a director is a member or with a company in which a director has a substantial financial interest.



DIRECTORS' REPORT (CONT'D)

DIRECTORS' BENEFITS (CONTINUED)

The directors' benefits of the Group and of the Company were as follows:

	GROUP RM	COMPANY RM
Fees	516,000	372,000
Salaries, bonuses and other benefits	2,801,786	43,500
Defined contribution plan	329,760	-
Monetary value of benefits-in-kind	144,686	-
	3,792,232	415,500

INDEMNIFYING DIRECTORS, OFFICERS AND AUDITORS

The Company maintains a Directors and Officers liability insurance throughout the period, which provides appropriate insurance cover for the directors and officers of the Group. During the financial year, the total amount of insurance premium paid for the Group is RM18,000.

There was no indemnity given to or insurance effected for the auditors of the Group in accordance with Section 289 of the Companies Act 2016.

AUDITORS' REMUNERATION

The amounts paid to or receivable by the auditors as remuneration for their services as auditors are as follows:

	GROUP RM	COMPANY RM
Audit fees	266,100	30,000
Other services	5,000	5,000
	271,100	35,000

SUBSIDIARY COMPANIES

The details of the Company's subsidiaries are disclosed in Note 9 to the financial statements.

SIGNIFICANT EVENT DURING THE FINANCIAL YEAR

On 31 January 2023, the Group via its subsidiary, Asal Harta Sdn. Bhd., entered into a sale and purchase agreement with a third party to purchase a piece of leasehold land forming part of the Master Land held under PN 72035, Lot 11357, Kawasan Bandar XLII (formerly known as PN 56725, Lot 11357, Kawasan Bandar XLII), District of Melaka Tengah, State of Melaka for a purchase consideration of RM48,543,787.

On 17 January 2024, the Company announced that Asal Harta Sdn. Bhd. agreed to grant third party a further extension of time for twelve (12) months to satisfy the Conditions Precedent ("Extension Sought"). Save for the Extension Sought, all other terms and conditions as stated in the sale and purchase agreement remain unchanged.

On 7 February 2025, the Company announced that despite the Extension Sought granted to third party, the third party was not able to fulfil the Condition Precedent. In view thereof, the Company has elected to rescind the sale and purchase agreement pursuant to the provisions in the sale and purchase agreement.

DIRECTORS' REPORT (CONT'D)

OTHER STATUTORY INFORMATION

- (a) Before the financial statements of the Group and of the Company were prepared, the directors took reasonable steps:
- (i) to ascertain that proper action had been taken in relation to the writing off of bad debts and the making of provision for doubtful debts, and had satisfied themselves that there were no known bad debts to be written off nor any doubtful debts to be provided for; and
 - (ii) to ensure that the current assets which were unlikely to realise their value as shown in the accounting records in the ordinary course of business had been written down to an amount which they might be expected so to realise.
- (b) At the date of this report, the directors are not aware of any circumstances:
- (i) which would require the write off of bad debts or the setting up of provision for doubtful debts in the financial statements of the Group and of the Company; or
 - (ii) which would render the value attributed to current assets in the financial statements of the Group and of the Company misleading; or
 - (iii) 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; or
 - (iv) not otherwise dealt with in this report or financial statements which would render any amount stated in the Group's and the Company's financial statements misleading.
- (c) At the date of this report, there does not exist:
- (i) any charge on the assets of the Group and of the Company which has arisen since the end of the financial year which secures the liabilities of any other person; or
 - (ii) any contingent liability in respect of the Group and of the Company which has arisen since the end of the financial year.
- (d) In the opinion of the directors:
- (i) no contingent liability or other liability has become enforceable or is likely to become enforceable within the period of twelve months after the end of the financial year which will or may affect the ability of the Group and of the Company to meet its obligations as and when they fall due; and
 - (ii) 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 substantially affect the results of the operations of the Group and of the Company for the current financial year.



DIRECTORS' REPORT (CONT'D)

AUDITORS

The auditors, RSM Malaysia PLT, have expressed their willingness to continue in office.

Signed on behalf of the Board of Directors in accordance with a resolution of the directors:

TEO LAY BAN

SIA AH PIEW

Melaka

15 April 2026

STATEMENTS OF FINANCIAL POSITION

AS AT 31 DECEMBER 2025

	Note	GROUP		COMPANY	
		2025 RM	2024 RM	2025 RM	2024 RM
ASSETS					
NON-CURRENT ASSETS					
Property, plant and equipment	6	33,212,891	33,791,696	-	-
Investment properties	7	1,057,221	1,097,228	-	-
Right-of-use assets	8	2,840,377	1,690,885	-	-
Investments in subsidiaries	9	-	-	322,119,000	322,119,000
Inventories	10	20,621,518	266,112,911	-	-
Other receivables	12	8,680,779	8,695,585	9,346,614	-
Deferred tax assets	11	1,131,000	2,645,000	-	-
		67,543,786	314,033,305	331,465,614	322,119,000
CURRENT ASSETS					
Inventories	10	750,262,749	471,913,553	-	-
Trade and other receivables	12	53,766,036	55,085,489	96,679,134	82,262,388
Contract assets	13	56,102,464	57,205,957	-	-
Contract cost assets	14	42,520,756	37,415,765	-	-
Current tax assets		37,484	489,213	-	-
Short-term funds and deposits, cash and bank balances	15	64,849,833	53,372,444	104,249	120,230
		967,539,322	675,482,421	96,783,383	82,382,618
TOTAL ASSETS		1,035,083,108	989,515,726	428,248,997	404,501,618
EQUITY AND LIABILITIES					
EQUITY					
Share capital	16	421,738,933	401,625,333	421,738,933	401,625,333
Treasury shares	16	(20,328,038)	-	(20,328,038)	-
Merger reserve	17	(318,369,000)	(318,369,000)	-	-
Retained earnings		483,030,160	463,227,050	26,315,472	2,568,351
Non-controlling interest		(85,435)	-	-	-
TOTAL EQUITY		565,986,620	546,483,383	427,726,367	404,193,684
NON-CURRENT LIABILITIES					
Bank borrowings	18	221,734,085	257,472,004	-	-
Lease liabilities	8	1,570,110	421,626	-	-
Deferred tax liabilities	11	682,921	682,921	-	-
		223,987,116	258,576,551	-	-
CURRENT LIABILITIES					
Trade and other payables	19	123,855,176	88,306,452	106,891	106,147
Contract liabilities	13	15,334,961	2,126,611	-	-
Bank borrowings	18	102,968,401	87,454,941	-	-
Lease liabilities	8	615,045	476,636	-	-
Current tax liabilities		2,335,789	6,091,152	415,739	201,787
		245,109,372	184,455,792	522,630	307,934
TOTAL LIABILITIES		469,096,488	443,032,343	522,630	307,934
TOTAL EQUITY AND LIABILITIES		1,035,083,108	989,515,726	428,248,997	404,501,618

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



STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

	Note	GROUP		COMPANY	
		2025 RM	2024 RM	2025 RM	2024 RM
REVENUE	20	304,622,781	321,025,474	30,000,000	4,087,500
COST OF SALES	21	(234,837,582)	(254,913,282)	-	-
GROSS PROFIT		69,785,199	66,112,192	30,000,000	4,087,500
OTHER OPERATING INCOME		3,242,175	2,344,245	3,917,686	3,918,526
OTHER OPERATING EXPENSES		(4,413,563)	(3,648,310)	-	-
ADMINISTRATIVE EXPENSES		(21,906,724)	(20,380,098)	(890,972)	(1,334,905)
FINANCE COSTS	22	(7,093,692)	(4,787,680)	-	-
PROFIT BEFORE TAX	23	39,613,395	39,640,349	33,026,714	5,951,121
INCOME TAX EXPENSE	24	(11,585,526)	(10,952,451)	(949,399)	(694,837)
NET PROFIT, REPRESENTING TOTAL COMPREHENSIVE INCOME FOR THE FINANCIAL YEAR		28,027,869	28,687,898	32,077,315	5,256,284
ATTRIBUTABLE TO:					
Equity holders of the Company		28,000,052	28,688,717	32,077,315	5,256,284
Non-controlling interest		27,817	(819)	-	-
		28,027,869	28,687,898	32,077,315	5,256,284
Basic earnings per ordinary share (sen):	25	3.39	3.53		
Diluted earnings per ordinary share (sen):	25	3.04	3.08		

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

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

Attributable to equity holders of the Company

GROUP	Note	Share capital RM	Treasury shares RM	Merger reserve RM	Retained earnings RM	Total RM	Non- controlling interest RM	Total equity RM
At 1.1.2024		399,324,933	-	(318,369,000)	438,669,428	519,625,361	41,603	519,666,964
Total comprehensive income for the financial year		-	-	-	28,688,717	28,688,717	(819)	28,687,898
Issuance of ordinary shares pursuant to conversion of warrants	16(a)	2,300,400	-	-	-	2,300,400	-	2,300,400
Changes in ownership interest in a subsidiary		-	-	-	(59,216)	(59,216)	(40,784)	(100,000)
Dividend	29	-	-	-	(4,071,879)	(4,071,879)	-	(4,071,879)
Total transactions with owners of the Company for the financial year ended 31.12.2024		2,300,400	-	-	(4,131,095)	(1,830,695)	(40,784)	(1,871,479)
At 31.12.2024/1.1.2025		401,625,333	-	(318,369,000)	463,227,050	546,483,383	-	546,483,383
Total comprehensive income for the financial year		-	-	-	28,000,052	28,000,052	27,817	28,027,869
Issuance of ordinary shares pursuant to conversion of warrants	16(a)	20,113,600	-	-	-	20,113,600	-	20,113,600
Changes in ownership interest in a subsidiary		-	-	-	133,252	133,252	(113,252)	20,000
Purchase of treasury shares	16(c)	-	(20,328,038)	-	-	(20,328,038)	-	(20,328,038)
Dividend	29	-	-	-	(8,330,194)	(8,330,194)	-	(8,330,194)
Total transactions with owners of the Company for the financial year ended 31.12.2025		20,113,600	(20,328,038)	-	(8,196,942)	(8,411,380)	(113,252)	(8,524,632)
At 31.12.2025		421,738,933	(20,328,038)	(318,369,000)	483,030,160	566,072,055	(85,435)	565,986,620

STATEMENTS OF CHANGES IN EQUITY

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025 (CONTINUED)

Attributable to equity holders of the Company					
COMPANY	Note	Share capital RM	Treasury shares RM	Retained earnings RM	Total equity RM
At 1.1.2024		399,324,933	-	1,383,946	400,708,879
Total comprehensive income for the financial year		-	-	5,256,284	5,256,284
Issuance of ordinary shares pursuant to conversion of warrants	16(a)	2,300,400	-	-	2,300,400
Dividend	29	-	-	(4,071,879)	(4,071,879)
Total transactions with owners of the Company for the financial year ended 31.12.2024		2,300,400	-	(4,071,879)	(1,771,479)
At 31.12.2024/1.1.2025		401,625,333	-	2,568,351	404,193,684
Total comprehensive income for the financial year		-	-	32,077,315	32,077,315
Issuance of ordinary shares pursuant to conversion of warrants	16(a)	20,113,600	-	-	20,113,600
Purchase of treasury shares	16(c)	-	(20,328,038)	-	(20,328,038)
Dividend	29	-	-	(8,330,194)	(8,330,194)
Total transactions with owners of the Company for the financial year ended 31.12.2025		20,113,600	(20,328,038)	(8,330,194)	(8,544,632)
At 31.12.2025		421,738,933	(20,328,038)	26,315,472	427,726,367

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

STATEMENTS OF CASH FLOWS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

	GROUP		COMPANY	
	2025 RM	2024 RM	2025 RM	2024 RM
CASH FLOWS FROM OPERATING ACTIVITIES				
Profit before tax	39,613,395	39,640,349	33,026,714	5,951,121
Adjustments for:				
Depreciation of property, plant and equipment	1,359,213	1,421,784	-	-
Depreciation of investment properties	40,007	32,394	-	-
Depreciation of right-of-use assets	809,272	719,230	-	-
Dividend income	-	-	(30,000,000)	(4,087,500)
Early termination of lease contracts	(75,598)	-	-	-
Gain on disposal of property, plant and equipment	(100,490)	(48,449)	-	-
Interest expense	7,028,023	4,723,970	-	-
Interest expense on lease liabilities	65,669	63,710	-	-
Interest income	(1,320,648)	(1,022,271)	(3,917,686)	(3,198,457)
Property, plant and equipment written off	5,281	485	-	-
Write-down of completed development properties	299,754	475,350	-	-
Write-down of land held for property development	477	-	-	-
Operating profit/(loss) before working capital changes	47,724,355	46,006,552	(890,972)	(1,334,836)
Increase in inventories	(74,500,353)	(57,443,589)	-	-
(Increase)/Decrease in trade and other receivables	(7,140,904)	2,108,070	5,137,727	780,567
Decrease/(Increase) in contract asset	1,103,493	(40,860,016)	-	-
Decrease in contract cost assets	101,360,790	63,818,945	-	-
Increase/(Decrease) in trade and other payables	39,463,254	25,299,446	744	(221,099)
Increase in contract liabilities	13,208,350	2,037,251	-	-
	73,494,630	(5,039,893)	5,138,471	559,468
Cash generated from/(used in) operations	121,218,985	40,966,659	4,247,499	(775,368)
Interest paid	(7,000,330)	(4,504,569)	-	-
Interest received	1,320,648	1,022,271	16,599	109,453
Tax paid	(14,184,265)	(9,155,997)	(735,447)	(733,519)
Tax refunded	809,105	40,005	-	-
Net cash generated from/ (used in) operating activities	102,164,143	28,368,369	3,528,651	(1,399,434)



STATEMENTS OF CASH FLOWS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025 (CONTINUED)

	GROUP		COMPANY	
	2025 RM	2024 RM	2025 RM	2024 RM
CASH FLOWS FROM INVESTING ACTIVITIES				
Additions to inventories - land held for property development (Note 10(a)(ii))	(43,701)	(6,899,733)	-	-
Deposits (refunded)/paid for acquisition of development land	8,495,163	(3,640,784)	-	-
Deposits paid for acquisition of right-of-use asset	(382,546)	(263,224)	-	-
Dividend received	-	-	5,000,000	-
Net uplift of fixed deposits	1,276,203	1,054,829	-	-
Proceeds from disposal of property, plant and equipment	255,044	54,300	-	-
Proceeds from disposal of right-of-use asset	232,711	-	-	-
Purchase of property, plant and equipment (Note 6(b))	(791,819)	(2,395,344)	-	-
Net cash generated from/(used in) investing activities	9,041,055	(12,089,956)	5,000,000	-
CASH FLOWS FROM FINANCING ACTIVITIES				
Dividend paid	(8,330,194)	(4,071,879)	(8,330,194)	(4,071,879)
Drawdown of bank borrowings	10,000,000	30,000,000	-	-
Interest paid	(9,960,226)	(13,080,758)	-	-
Interest paid on lease liabilities	(65,669)	(63,710)	-	-
Net proceeds from issuance of ordinary shares	20,113,600	2,300,400	20,113,600	2,300,400
Payment of transaction costs on borrowings	(594,627)	(153,309)	-	-
Purchase of treasury shares	(20,328,038)	-	(20,328,038)	-
Repayment of:				
- bank borrowings	(88,685,937)	(60,025,272)	-	-
- lease liabilities	(594,862)	(532,731)	-	-
Net cash used in financing activities	(98,445,953)	(45,627,259)	(8,544,632)	(1,771,479)
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS	12,759,245	(29,348,846)	(15,981)	(3,170,913)
CASH AND CASH EQUIVALENTS BROUGHT FORWARD	32,308,588	61,657,434	120,230	3,291,143
CASH AND CASH EQUIVALENTS CARRIED FORWARD (NOTE 15)	45,067,833	32,308,588	104,249	120,230

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

NOTES TO THE FINANCIAL STATEMENTS

- 31 DECEMBER 2025

1. PRINCIPAL ACTIVITIES

The principal activity of the Company is that of investment holding.

The principal activities of the subsidiaries are disclosed in Note 9.

2. BASIS OF PREPARATION OF THE FINANCIAL STATEMENTS

The financial statements of the Group and of the Company have been prepared in accordance with MFRS Accounting Standards ("MFRSs") issued by the Malaysian Accounting Standards Board ("MASB"), IFRS Accounting Standards and the requirements of the Companies Act 2016 in Malaysia.

3. MATERIAL ACCOUNTING POLICY INFORMATION

3.1 Basis of accounting

The financial statements of the Group and of the Company have been prepared under the historical cost convention, except as otherwise stated in the financial statements.

The preparation of the financial statements requires the directors to make estimates and assumptions that affect the reported amount of assets, liabilities, revenue and expenses and disclosure of contingent assets and liabilities. In addition, the directors are also required to exercise their judgement in the process of applying the accounting policies. The areas involving such judgements, estimates and assumptions are disclosed in Note 5. Although these estimates and assumptions are based on the directors' best knowledge of events and actions, actual results could differ from those estimates.

3.2 Basis of consolidation

Subsidiaries

A subsidiary is an entity controlled by the Group, i.e. the Group is exposed, or has rights, to variable returns from its involvement with the entity and has the ability to affect those returns through its current ability to direct the entity's relevant activities (power over the investee).

The existence and effect of potential voting rights that the Group has the practical ability to exercise (i.e. substantive rights) are considered when assessing whether the Group controls another entity.

The Group's financial statements incorporate the results, cash flows, assets and liabilities of Teladan Group Berhad and all of its directly and indirectly controlled subsidiaries. Subsidiaries are consolidated from the effective date of acquisition, which is the date on which the Group effectively obtains control of the acquired business, until that control ceases.

Changes in the Group's ownership interest in a subsidiary that do not result in the Group losing control are accounted for as transactions with owners in their capacity as owners (i.e. equity transactions). The carrying amounts of the Group's and non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiary. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognised directly in equity and attributed to the owners of the parent.

Upon loss of control of a subsidiary, the Group's profit or loss is calculated as the difference between (i) the fair value of the consideration received and of any investment retained in the former subsidiary and (ii) the previous carrying amount of the assets (including any goodwill) and liabilities of the subsidiary and any non-controlling interests.

Investment in subsidiaries is measured in the Company's statement of financial position at cost less any impairment losses, unless the investment is classified as held for sale or distribution.



NOTES TO THE FINANCIAL STATEMENTS - 31 DECEMBER 2025 (CONTINUED)

3. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

3.3 Property, plant and equipment

On initial recognition, items of property, plant and equipment are recognised at cost, which includes the purchase price as well as any cost directly attributable in bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management, and the cost of dismantling and removing the items and restoring the site on which they are located.

After initial recognition, items of property, plant and equipment are carried at cost less any accumulated depreciation and any accumulated impairment losses.

When significant parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

The cost of replacing a component of an item of property, plant and equipment is recognised in the carrying amount of the item if it is probable that the future economic benefits embodied within the component will flow to the Group, and its cost can be measured reliably. The carrying amount of the replaced component is derecognised to profit or loss. The costs of the day-to-day servicing of property, plant and equipment are recognised in profit or loss as incurred.

Significant components of individual assets are assessed, and if a component has a useful life that is different from the remainder of that asset, then that component is depreciated separately.

Except for freehold land and capital work in progress, which are not depreciated, depreciation is calculated so as to write off the cost of the assets, less their estimated residual value, over their useful economic lives as follows:

Freehold building	2%
Leasehold buildings	2%
Site equipment	10%
Office equipment	10%
Renovation	10% to 20%
Furniture and fittings	4% to 10%
Motor vehicles	20%

Freehold land is not depreciated.

Useful lives, residual values and depreciation methods are reviewed, and adjusted if appropriate, at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising from the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in profit or loss.

NOTES TO THE FINANCIAL STATEMENTS

- 31 DECEMBER 2025 (CONTINUED)

3. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

3.4 Investment properties

Investment properties are properties which are owned to earn rental income or for capital appreciation or both, but not for sale in the ordinary course of business, use in the production or supply of goods or services or for administrative purposes.

Investment property is initially measured at its cost, including related transaction costs. After initial recognition, investment property is stated at cost less accumulated depreciation and accumulated impairment. Depreciation on buildings is calculated on a straight-line basis so as to allocate the cost to their residual values over the expected useful lives. The annual depreciation rate for buildings is 2%. Subsequent expenditure is capitalised to the asset's carrying amount only when it is probable that future economic benefits associated with the expenditure will flow to the Group and the cost of the item can be measured reliably. All other repairs and maintenance costs are expensed when incurred. When part of an investment property is replaced, the carrying amount of the replaced part is derecognised.

Investment property is derecognised either when it has been disposed of or when the investment property is permanently withdrawn from use and no future economic benefit is expected from its disposal. Gains or losses on disposals are determined by comparing net disposal proceeds with the carrying amount and are included in profit or loss.

At the end of the reporting period, the Group assesses whether there is any indication of impairment. Where an indication of impairment exists, the carrying value of the asset is assessed and written down immediately to its recoverable amount. See Note 3.7 for accounting policy on impairment of non-financial assets.

A property is transferred to, or from, investment property when, and only when, there is a change in use. A change in use occurs when the property meets, or ceases to meet, the definition of investment property and there is evidence of the change in use.

3.5 Inventories

Property acquired or being developed for sale in the ordinary course of business, rather than to be held for rental or capital appreciation, is held as inventory and is measured at the lower of cost and net realisable value.

Cost includes the freehold and leasehold rights for land, amounts paid to contractors for development, borrowing costs, planning and design costs, costs of site preparation, professional fees for legal services, property transfer taxes, development overheads and other related costs and non-refundable commission cost.

Net realisable value is the estimated selling price in the ordinary course of the business, based on market prices at the reporting date, less estimated costs of completion and the estimated costs necessary to make the sale.

Inventory properties under development are referred to as property development costs and comprise the cost of land, direct building costs and a share of development costs common to the entire development project where applicable. Once contracted to be sold, the related costs of these inventories would be transferred to cost to fulfil contracts, and subsequently recognised in profit or loss as and when control passes to the respective purchasers. Property development costs of unsold units are transferred to completed development properties once the development is complete.

Completed development properties are stated at the lower of cost and net realisable value. Costs comprise costs of acquisition of land, direct building costs, related development costs and other costs of bringing the development properties to their present location and condition.



NOTES TO THE FINANCIAL STATEMENTS - 31 DECEMBER 2025 (CONTINUED)

3. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

3.5 Inventories (continued)

Inventory properties where no development activities have been carried out or where development activities are not expected to be completed within the normal operating cycle are referred to as land held for property development and classified within non-current assets. Generally, no significant development work would have been undertaken on these lands other than project planning, infrastructure work, earth work and landscape work incurred to prepare the land for development and these inventory properties are stated at cost plus incidental expenditure incurred to put the land in a condition ready for development. These inventory properties are classified to property development costs under current assets at the point when active development project activities have commenced and when it can be demonstrated that the development activities can be completed within the normal operating cycle.

3.6 Leases

(a) Definition of lease

A contract is, or contains, a lease if the contract conveys a 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 assesses whether:

- the contract involves the use of an identified asset – this may be specified explicitly or implicitly and should be physically distinct or represent substantially all of the capacity of a physically distinct asset. If the supplier has a substantive substitution right, then the asset is not identified;
- the customer has the right to obtain substantially all of the economic benefits from use of the asset throughout the period of use; and
- the customer has the right to direct the use of the asset. The customer has this right when it has the decision-making rights that are most relevant to changing how and for what purpose the asset is used. In rare cases where the decision about how and for what purpose the asset is used is predetermined, the customer has the right to direct the use of the asset if either the customer has the right to operate the asset; or the customer designed the asset in a way that predetermines how and for what purpose it will be used.

At inception or on reassessment of a contract that contains a lease component, the Group allocates the consideration in the contract to each lease and non-lease component on the basis of their relative stand-alone prices. However, for leases of properties in which the Group is a lessee, it has elected not to separate non-lease components and will instead account for the lease and non-lease components as a single lease component.

(b) Recognition and initial measurement

(i) As a lessee

The Group recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured 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 lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the respective Group entities' incremental borrowing rate. Generally, the Group entities use their incremental borrowing rate as the discount rate.

NOTES TO THE FINANCIAL STATEMENTS - 31 DECEMBER 2025 (CONTINUED)

3. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

3.6 Leases (continued)

(b) Recognition and initial measurement (continued)

(i) As a lessee (continued)

Lease payments included in the measurement of the lease liability comprise the following:

- fixed payments, including in-substance fixed payments less any incentive receivable;
- variable lease payments that depend on an index or a rate, initially measured using the index or rate at the commencement date;
- amounts expected to be payable under a residual value guarantee;
- the exercise price under a purchase option that the Group is reasonably certain to exercise; and
- penalties for early termination of a lease unless the Group is reasonably certain not to terminate early.

The Group has elected not to recognise right-of-use assets and lease liabilities for short-term leases that have a lease term of 12 months or less and leases of low-value assets. The Group recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

(ii) As a lessor

When the Group acts as a lessor, it determines at lease inception whether each lease is a finance lease or an operating lease.

To classify each lease, the Group makes an overall assessment of whether the lease transfers substantially all of the risks and rewards incidental to ownership of the underlying asset. If this is the case, then the lease is a finance lease; if not, then it is an operating lease.

(c) Subsequent measurement

(i) As a lessee

Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets, as follows:

Buildings	3 to 4 years
Motor vehicles	5 years

If ownership of the leased asset transfers to the Group at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset. The estimated useful lives of right-of-use asset are determined on the same basis as those of property, plant and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.



NOTES TO THE FINANCIAL STATEMENTS - 31 DECEMBER 2025 (CONTINUED)

3. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

3.6 Leases (continued)

(c) Subsequent measurement (continued)

(i) As a lessee (continued)

The lease liability is measured at amortised cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a revision of in-substance fixed lease payments, or if there is a change in the Group's estimate of the amount expected to be payable under a residual value guarantee, or if the Group changes its assessment of whether it will exercise a purchase, extension or termination option.

When the lease liability is remeasured, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

(ii) As a lessor

The Group recognises lease payments received under operating leases as income on straight-line basis over the lease term as part of "revenue".

3.7 Impairment of non-financial assets

The carrying amounts of such assets, other than contract assets, are reviewed at each reporting date for indications of impairment and where an asset is impaired, it is written down as an expense through profit or loss to its estimated recoverable amount. Recoverable amount is the higher of value in use and the fair value less costs to sell of the individual asset or the cash-generating unit. The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. If this is the case, recoverable amount is determined for the cash-generating unit to which the asset belongs.

Value in use is the present value of the estimated future cash flows of that unit. Present values are computed using pre-tax discount rates that reflect the time value of money and the risks specific to the unit which impairment is being measured.

Impairment losses for cash-generating units are allocated first against the goodwill of the unit and then pro rata amongst the other assets of the unit.

Subsequent increases in the recoverable amount caused by changes in estimates are credited to profit or loss to the extent that they reverse the impairment.

3.8 Cash and cash equivalents

Cash and cash equivalents comprise cash and bank balances, fixed deposits placed with licensed banks and other short-term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to insignificant risk of changes in value.

For the purpose of the statements of cash flows, cash and cash equivalents are presented net of bank overdrafts, fixed deposits with maturities of more than three months and pledged deposits, if any.

NOTES TO THE FINANCIAL STATEMENTS - 31 DECEMBER 2025 (CONTINUED)

3. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

3.9 Provisions

Where, at reporting date, the Group has a present obligation (legal or constructive) as a result of a past event and it is probable that the Group will settle the obligation, a provision is made in the statement of financial position. Provisions are made using best estimates of the amount required to settle the obligation and are discounted to present values using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation. Changes in estimates are reflected in profit or loss in the period they arise.

Any reimbursement attributable to a recognised provision from a counterparty (such as an insurer) is not offset against the provision but recognised separately as an asset when, and only when, the reimbursement is virtually certain.

3.10 Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of the Company after deducting all of its liabilities. Ordinary shares are equity instruments.

Ordinary shares are recorded at the proceeds received, net of directly attributable incremental transactions cost. Ordinary shares are classified as equity.

When ordinary shares and other equity instruments are issued in a public offering or in a rights issue to existing shareholders, they are recorded at the issue price.

Costs directly attributable to the issue of instruments classified as equity are recognised as a deduction from equity.

Dividends on ordinary shares are accounted for in shareholders' equity as an appropriation of retained earnings.

All transactions with owners of the parent are recorded separately within equity.

Dividend distribution

Dividends are recognised as liabilities when they are declared (i.e. the dividends are appropriately authorised and no longer at the discretion of the entity). Typically, dividends are recognised as liabilities in the period in which their distribution is approved at the Shareholders' Annual General Meeting.

Treasury shares

Own equity instruments that are reacquired (treasury shares) are recognised at cost and deducted from equity. No gain or loss is recognised in profit or loss on the purchase, sale, issue or cancellation of the Group's own equity instruments.

3.11 Financial instruments

(a) Initial recognition and measurement

The Group and the Company recognise a financial asset or a financial liability in the statements of financial position when, and only when, an entity in the Group and the Company become a party to the contractual provisions of the instruments.



NOTES TO THE FINANCIAL STATEMENTS - 31 DECEMBER 2025 (CONTINUED)

3. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

3.11 Financial instruments (continued)

(a) Initial recognition and measurement (continued)

On initial recognition, all financial assets (including intra-group loans and advances) and financial liabilities (including intra-group payables) are measured at fair value plus transaction costs if the financial asset or financial liability is not measured at fair value through profit or loss. For instruments measured at fair value through profit or loss, transaction costs are expensed to profit or loss when incurred.

For financial instruments subsequently measured at amortised cost and debt instruments subsequently measured at fair value through other comprehensive income, transaction costs are included in the calculation of the amortised cost using the effective interest method, in effect reducing/(increasing) the amount of interest income/(expense) recognised over the life of the instrument.

(b) Derecognition of financial instruments

For derecognition purposes, the Group and the Company first determine whether a financial asset or a financial liability should be derecognised in its entirety as a single item or derecognised part-by-part of a single item or of a group of similar items.

A financial asset, whether as a single item or as a part, is derecognised when, and only when, the contractual rights to receive the cash flows from the financial asset expire, or when the Group and the Company transfer the contractual rights to receive cash flows of the financial asset, including circumstances when the Group and the Company act only as a collecting agent of the transferee, and retain no significant risks and rewards of ownership of the financial asset or no continuing involvement in the control of the financial asset transferred.

A financial liability is derecognised when, and only when, it is legally extinguished, which is either when the obligation specified in the contract is discharged or cancelled or expires. A substantial modification of the terms of an existing financial liability is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. For this purpose, the Group and the Company consider a modification as substantial if the present value of the revised cash flows of the modified terms discounted at the original effective interest rate is different by 10% or more when compared with the carrying amount of the original liability.

(c) Financial assets

For the purpose of subsequent measurement, the Group and the Company classify financial assets based on the Group's and the Company's business model for managing the financial assets and the contractual cash flow characteristics of the financial instruments.

After initial recognition, the Group and the Company measure financial assets at amortised cost and fair value through profit or loss.

Other than financial assets measured at fair value through profit or loss, all other financial assets are subject to review for impairment in accordance with Note 3.11(g).

(d) Financial liabilities

After initial recognition, the Group and the Company measure all financial liabilities at amortised cost using the effective interest method.

NOTES TO THE FINANCIAL STATEMENTS - 31 DECEMBER 2025 (CONTINUED)

3. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

3.11 Financial instruments (continued)

(d) Financial liabilities (continued)

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 guarantees issued are initially measured at fair value, net of transaction costs that are directly attributable to the issuance of the guarantee. Subsequently, they are measured at higher of: (a) the amount of the loss allowance; and (b) the amount initially recognised less, when appropriate, the cumulative of income recognised in accordance with the principles in MFRS 15 *Revenue from Contracts with Customers*.

(e) Fair value measurement

The fair value of a financial asset or a financial liability is determined by reference to the quoted market price in an active market, and in the absence of an observable market price, by a valuation technique as described in Note 3.19.

(f) Recognition of gains and losses

Fair value changes of financial assets and financial liabilities classified as at fair value through profit or loss are recognised in profit or loss when they arise.

For financial assets and financial liabilities carried at amortised cost, interest income and interest expense are recognised in profit or loss using the effective interest method. A gain or loss is recognised in profit or loss only when the financial asset or financial liability is derecognised or impaired, and through the amortisation process of the instrument.

(g) Impairment of financial assets

The Group and the Company apply the expected credit loss ("ECL") model of MFRS 9 to recognise impairment losses of financial assets measured at amortised cost or at fair value through other comprehensive income. Except for trade receivables, a 12-month ECL is recognised in profit or loss on the date of origination or purchase of the financial assets. At the end of each reporting period, the Group and the Company assess whether there has been a significant increase in credit risk of a financial asset since its initial recognition or at the end of the prior period. Other than for financial assets which are considered to be of low risk grade, a lifetime ECL is recognised if there has been a significant increase in credit risk since initial recognition. For trade receivables, the Group and the Company have availed the exception to the 12-month ECL requirement to recognise only lifetime ECL.

The assessment of whether credit risk has increased significantly is based on quantitative and qualitative information that include financial evaluation of the creditworthiness of the debtors or issuers of the instruments, ageing of receivables, defaults and past due amounts, past experiences with the debtors, current conditions and reasonable forecast of future economic conditions. For operational simplifications: (a) a 12-month ECL is maintained for financial assets which investment grades that are considered as low credit risk, irrespective of whether credit risk has increased significantly or not; and (b) credit risk is considered to have increased significantly if payments are more than 30 days past due if no other borrower-specific information is available without undue cost or effort.



NOTES TO THE FINANCIAL STATEMENTS - 31 DECEMBER 2025 (CONTINUED)

3. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

3.11 Financial instruments (continued)

(g) Impairment of financial assets (continued)

The ECL is measured using an unbiased and probability-weighted amount that is determined by evaluating a range of possible outcomes, discounted for the time value of money and applying reasonable and supportable information that is available without undue cost or effort at the reporting date about past events, current conditions, and forecast of future economic conditions. The ECL for a financial asset (when assessed individually) or a group of financial assets (when assessed collectively) is measured at the present value of the probability-weighted expected cash shortfalls over life of the financial asset or group of financial assets. When a financial asset is determined as credit-impaired (based on objective evidence of impairment), the lifetime ECL is determined individually.

For trade receivables and contract assets, the Group and the Company apply a simplified approach in calculating ECLs. Therefore, the Group and the Company do not track changes in credit risk, but instead recognise a loss allowance based on lifetime ECLs at each reporting date. The Group and the Company have performed its assessment based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment. In making this assessment, the Group also takes into consideration that it would maintain its name as the registered owner of the properties until full settlement is made by the purchasers or the purchasers' end-financiers.

3.12 Contract assets and contract liabilities

A contract asset is the right of the Group to consideration in exchange for goods or services that it has transferred to the customer when that right is conditional upon future performance but not through the passage of time. If the Group has performed its obligation by transferring goods or services to a customer before the customer pays consideration or before payment is due, a contract asset is recognised and presented net of any amounts that has been recognised as receivables. Contract asset is presented as the excess of cumulative revenue earned or recognised in profit or loss over the billings to date to the customer. Contract assets are subject to impairment assessment in accordance with MFRS 9 *Financial Instruments*.

A contract liability is the obligation of the Group to transfer goods and services to a customer for which it has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration or the Group has a right to an amount of consideration that is unconditional before it transfers goods or services to the customer, a contract liability is recognised when the payment is made or the payment is due (whichever is earlier). Contract liabilities are recognised as revenue when the Group performs its obligation under the contract. Contract liability is the excess of the billings to date to the customer over the cumulative revenue earned or recognised in profit or loss. Contract liabilities include advance payment and downpayments received from customers and other amounts where the Group has billed before the goods are delivered or services are provided to the customers.

3.13 Contract costs

(a) Incremental cost of obtaining a contract

The Group recognises incremental costs of obtaining contracts when the Group expects to recover these costs.

NOTES TO THE FINANCIAL STATEMENTS - 31 DECEMBER 2025 (CONTINUED)

3. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

3.13 Contract costs (continued)

(b) Cost to fulfil a contract

The Group recognises a contract cost that relates directly to a contract or to an anticipated contract as an asset when the cost generates or enhances resources of the Group that will be used in satisfying performance obligations in the future and it is expected to be recovered.

Contract cost assets are amortised on a systematic basis that is consistent with the transfer to the customer of the goods or services to which the asset relates. The amortisation shall be updated subsequently to reflect any significant change to the expected timing of transfer to the customer of the goods or services to which the asset relates in accordance with MFRS 108 *Accounting Policies, Changes in Accounting Estimate and Errors*.

Impairment loss is recognised in profit or loss to the extent that the carrying amount of the contract cost exceeds:

1. the remaining amount of consideration that the Group expects to receive in exchange for the goods or services to which the asset relates; less
2. the costs that relate directly to providing those goods or services and that have not been recognised as expenses.

Before an impairment loss is recognised for contract costs, the Group shall recognise any impairment loss for assets related to the contract that are recognised in accordance with other MFRSs, such as MFRS 102, MFRS 116 and MFRS 138. The Group shall include the resulting carrying amount of the contract costs assets in the carrying amount of the cash-generating unit to which it belongs for the purpose of applying MFRS 136 *Impairment of Assets* to that cash-generating unit.

An impairment loss is reversed when the impairment conditions no longer exist or have improved. Such reversal is recognised in profit or loss.

3.14 Revenue recognition

The Group's revenue comprises revenue from property development projects.

Revenue recognition of the Group is applied for each contract with a customer or a combination of contracts with the same customer (or related parties of the customer). For practical expedient, the Group applies revenue recognition to a portfolio of contracts (or performance obligations) with similar characteristics in the property development business if the Group reasonably expects that the effects on the financial statements would not differ materially from recognising revenue on the individual contracts (or performance obligations) within that portfolio.

For a portfolio of property development contracts with customers, when control of the promised good or service is transferred over time to the customer (and hence the performance obligation is satisfied over time), revenue is recognised in profit or loss over time or progressively by reference to the stage of completion in a performance obligation. The Group recognises revenue over time using the input method, which is based on the actual cost incurred to date on the property development projects as compared to the total budgeted cost for the respective development projects.

When the outcome of a performance obligation cannot be measured reasonably, but the Group expects to recover the costs incurred in satisfying the performance obligation, revenue is recognised only to the extent of the costs incurred until such time that the Group can reasonably measure the outcome of the performance obligation.



NOTES TO THE FINANCIAL STATEMENTS - 31 DECEMBER 2025 (CONTINUED)

3. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

3.14 Revenue recognition (continued)

Revenue from sale of completed properties is recognised at a point in time upon delivery of properties where the control of the properties has been passed to the buyers.

Interest income is recognised as it accrues, using the effective interest method.

Rental income is recognised on a straight-line basis over the term of an ongoing lease.

Management fees are recognised when services are rendered.

Dividend income is recognised when the rights to receive payment is established.

3.15 Borrowing costs

Interest on borrowings to finance the purchase and development of a self-constructed qualifying asset (i.e. an asset that necessarily takes a substantial period of time to get ready for its intended use or sale) is included in the cost of the asset until such time as the assets are substantially ready for use or sale. Such borrowing costs are capitalised net of any investment income earned on the temporary investment of funds that are surplus pending such expenditure.

The capitalisation of borrowing costs as part of the cost of a qualifying asset commences when expenditure for the asset is being incurred, borrowing costs are being incurred and activities that are necessary to prepare the asset for its intended use or sale are in progress. Capitalisation of borrowing costs is suspended or ceases when substantially all the activities necessary to prepare the qualifying asset for its intended use or sale are interrupted or completed.

All other borrowing costs are recognised in profit or loss in the period in which they are incurred.

3.16 Employees benefits

(a) Short-term benefits

Wages, salaries, bonuses and social security contributions are recognised as an expense in the period in which the associated services are rendered by employees of the Group and the Company. Short-term accumulating compensated absences such as paid annual leave are recognised when services are rendered by employees and short-term non-accumulating compensated absences such as sick leave are recognised when the absences occur.

(b) Defined contribution plan

As required by law, companies in Malaysia make contributions to the Employees' Provident Fund ("EPF"). The contributions are recognised as a liability after deducting any contribution already paid and as an expense in profit or loss in the period in which the employees render their services. Once the contributions have been paid, the Group has no further payment obligations.

3.17 Income taxes

Tax currently payable is calculated using the tax rates in force or substantively enacted at the reporting date. Taxable profit differs from accounting profit either because some income and expenses are never taxable or deductible, or because the time pattern that they are taxable or deductible differs between tax law and their accounting treatment.

NOTES TO THE FINANCIAL STATEMENTS - 31 DECEMBER 2025 (CONTINUED)

3. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

3.17 Income taxes (continued)

Using the statement of financial position liability method, deferred tax is recognised in respect of all temporary differences between the carrying value of assets and liabilities in the statement of financial position and the corresponding tax base, with the exception of goodwill not deductible for tax purposes and temporary differences arising on initial recognition of assets and liabilities that do not affect taxable or accounting profit.

Deferred tax is calculated at the tax rates that are expected to apply to 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 by the reporting date. Deferred tax assets are recognised only to the extent that the Group and the Company consider that it is probable (i.e. more likely than not) that there will be sufficient taxable profits available for the asset to be utilised within the same tax jurisdiction.

Deferred tax assets and liabilities are offset only when there is a legally enforceable right to offset current tax assets against current tax liabilities, they relate to the same tax authority and the Group's and the Company's intention is to settle the amounts on a net basis.

The tax expense for the period comprises current and deferred tax. Tax is recognised in profit or loss, except if it arises from transactions or events that are recognised in other comprehensive income or directly in equity. In this case, the tax is recognised in other comprehensive income or directly in equity, respectively. Where tax arises from the initial accounting for a business combination, it is included in the accounting for the business combination.

3.18 Operating segments

An operating segment is a component of the Group that engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses that relate to transactions with any of the Group's other components. All operating segments' operating results are reviewed regularly by the Chief Operating Decision Maker, which in this case is the Managing Director of the Group, to make decisions about resources to be allocated to the segment and to assess its performance, and for which discrete financial information is available.

3.19 Fair value measurement

Fair value is 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. When measuring the fair value of an asset or a liability, the Group and the Company use market observable data to the extent possible. If the fair value of an asset or a liability is not directly observable, it is estimated by the Group and by the Company (working closely with external qualified valuers) using valuation techniques that maximise the use of relevant observable inputs and minimise the use of unobservable inputs (e.g. by use of the market comparable approach that reflects recent transaction prices for similar items, discounted cash flow analysis, or option pricing models refined to reflect the issuer's specific circumstances). Inputs used are consistent with the characteristics of the asset/liability that market participants would take into account.

Fair values are categorised into different levels in a fair value hierarchy based on the degree to which the inputs to the measurement are observable and the significance of the inputs to the fair value measurement in its entirety:

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



NOTES TO THE FINANCIAL STATEMENTS - 31 DECEMBER 2025 (CONTINUED)

3. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

3.19 Fair value measurement (continued)

Fair values are categorised into different levels in a fair value hierarchy based on the degree to which the inputs to the measurement are observable and the significance of the inputs to the fair value measurement in its entirety: (continued)

- Level 2 fair value measurements are those derived from inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3 fair value measurements are those derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data (unobservable inputs).

Transfers between levels of the fair value hierarchy are recognised by the Group and by the Company at the end of the reporting period during which the change occurred.

3.20 Current versus non-current classification

The Group and the Company present assets and liabilities in the statements of financial position based on current/non-current classification. An asset is current when it is:

- expected to be realised or intended to be sold or consumed in the normal operating cycle;
- held primarily for the purpose of trading;
- expected to be realised within twelve months after the reporting period; or
- cash and cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is current when:

- it is expected to be settled in the normal operating cycle;
- it is held primarily for the purpose of trading;
- it is due to be settled within twelve months after the reporting period; or
- there is no right at the end of the reporting period to defer settlement of the liability for at least twelve months after the reporting period.

The Group and the Company classify all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

4. ADOPTION OF MFRSs, AMENDMENTS TO MFRSs AND INTERPRETATIONS

4.1 Amendments to MFRSs adopted

For the preparation of the financial statements, the following amendments to MFRSs issued by the MASB are mandatory for the first time for the financial year beginning on or after 1 January 2025:

- Amendments to MFRS 121 *The Effects of Changes in Foreign Exchange Rates* – Lack of Exchangeability

The adoption of the above-mentioned amendments to MFRSs has no significant impact on the financial statements of the Group and the Company.

NOTES TO THE FINANCIAL STATEMENTS

- 31 DECEMBER 2025 (CONTINUED)

4. ADOPTION OF MFRSs, AMENDMENTS TO MFRSs AND INTERPRETATIONS (CONTINUED)

4.2 New MFRSs and amendments to MFRSs not yet effective

The following are new MFRSs and amendments to MFRSs that have been issued by the MASB up to the date of the issuance of the Group's and the Company's financial statements but have not been adopted by the Group and the Company:

Amendments to MFRSs effective for annual periods beginning on or after 1 January 2026

- Amendments to MFRS 9 *Financial Instruments* and MFRS 7 *Financial Instruments: Disclosures – Amendments to the Classification and Measurement of Financial Instruments*
- Annual Improvements to MFRS – Volume 11
- Amendments to MFRS 9 *Financial Instruments* and MFRS 7 *Financial Instruments: Disclosures – Contracts Referencing Nature-dependent Electricity*

New MFRSs and amendments to MFRSs effective for annual periods beginning on or after 1 January 2027

- MFRS 18 *Presentation and Disclosure in Financial Statements*
- MFRS 19 *Subsidiaries without Public Accountability: Disclosures*
- Amendments to MFRS 19 *Subsidiaries without Public Accountability: Disclosures*
- Amendments to MFRS 121 *The Effects of Changes in Foreign Exchange Rates – Translation to a Hyperinflationary Presentation Currency*

Amendments to MFRSs effective for annual periods beginning on or after a date yet to be confirmed

- Amendments to MFRS 10 *Consolidated Financial Statements* and MFRS 128 *Investment in Associates and Joint Ventures – Sale or Contribution of Assets between an Investor and its Associate or Joint Venture*

The directors anticipate that the above-mentioned new MFRSs and amendments to MFRSs will be adopted by the Group and by the Company when they become effective.

The initial application of new MFRSs and amendments to MFRSs is not expected to have any significant impact on the financial statements of the Group and of the Company, except for the changes in presentation and disclosures of financial information arising from the adoption of these new MFRSs and Amendments to MFRSs as discussed below:

MFRS 18 Presentation and Disclosure in Financial Statements

This standard is applicable to annual reporting periods beginning on or after 1 January 2027 and early adoption is permitted. The standard replaces MFRS 101 *Presentation of Financial Statements*, with many of the original disclosure requirements retained and there will be no impact on the recognition and measurement of items in the financial statements. The standard will affect presentation and disclosure in the financial statements, including introducing five categories in the statement of profit or loss and other comprehensive income: operating, investing, financing, income taxes and discontinued operations. The standard introduces two mandatory sub-totals in the statement: "Operating profit" and "Profit before financing and income taxes". There are also new disclosure requirements for "management-defined performance measures", such as earnings before interest, taxes, depreciation and amortisation ("EBITDA") or "adjusted profit". The standard provides enhanced guidance on grouping of information (aggregation and disaggregation), including whether to present this information in the primary financial statements or in the notes. The Group and the Company will adopt this standard from 1 January 2027 and it is expected that there will be a significant change to the layout of the statement of profit or loss and other comprehensive income.



NOTES TO THE FINANCIAL STATEMENTS

- 31 DECEMBER 2025 (CONTINUED)

5. SIGNIFICANT ACCOUNTING ESTIMATES AND JUDGEMENTS

In preparing its financial statements, the Group and the Company have made significant judgements, estimates and assumptions that impact on the carrying value of certain assets and liabilities, income and expenses as well as other information reported in the notes. The Group and the Company periodically monitor such estimates and assumptions and make sure they incorporate all relevant information available at the date when financial statements are prepared. However, this does not prevent actual figures differing from estimates.

The judgements made in the process of applying the Group's and the Company's accounting policies that have the most significant effect on the amounts recognised in the financial statements, and the estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are addressed below.

5.1 Recognition of property development profits

The Group recognises property development revenue and expenses in the profit or loss by using an input method, which is based on the actual cost incurred to date on the property development projects as compared to the total estimated cost for the respective development projects.

Significant judgement is required in determining the extent of property development costs incurred and the total estimated costs of property development, which is used to determine the percentage of completion and gross profit margin of property development activities undertaken by the Group. In making these judgements, the Group relies on its industry knowledge, past experience and work of specialists.

5.2 Net realisable value of inventories

Inventories are stated at the lower of cost and net realisable value. The cost of inventories is written down to their estimated realisable value when their cost may no longer be recoverable such as when inventories are damaged or become wholly or partly obsolete or their selling prices have declined. In any case, the realisable value represents the best estimate of the recoverable amount, is based on the most reliable evidence available at the reporting date and inherently involves estimates regarding the future expected realisable value. In general, such an evaluation process requires significant judgement and may materially affect the carrying amount of inventories at the end of the reporting period. Carrying amount of inventories are as disclosed in Note 10.

5.3 Income tax and deferred tax estimation

Management's judgement is required in determining the provision for income taxes, deferred tax assets and liabilities and the extent to which deferred tax assets can be recognised. There are transactions and computations for which the ultimate tax determination may be different from the initial estimate.

The Group and the Company recognise tax liabilities based on its understanding of the prevailing tax laws and estimates of whether such taxes will be due in the ordinary course of business. Where the final outcome of these matters is different from the amounts that were initially recognised, such difference will impact the income tax and deferred tax provision in the period in which such determination is made.

Recognition of deferred tax assets and liabilities involves making a series of assumptions. As far as deferred tax assets are concerned, their realisation ultimately depends on taxable profits being available in the future. Deferred tax assets are recognised only when it is probable that taxable profits will be available against which the deferred tax asset can be utilised and it is probable that the entity will earn sufficient taxable profit in future periods to benefit from a reduction in tax payments. This involves the Group and the Company making assumptions within its overall tax-planning activities and periodically reassessing them in order to reflect changed circumstances as well as tax regulations. Moreover, the measurement of a deferred tax asset and liability reflects the manner in which the entity expects to recover the asset's carrying value or settle the liability.

NOTES TO THE FINANCIAL STATEMENTS - 31 DECEMBER 2025 (CONTINUED)

6. PROPERTY, PLANT AND EQUIPMENT

GROUP	Freehold land RM	Freehold building RM	Leasehold buildings RM	Site equipment RM	Office equipment RM	Renovation RM	Furniture and fittings RM	Motor vehicles RM	Total RM
Cost									
At 1.1.2024	5,793,476	22,119,986	1,480,612	33,514	1,233,698	1,754,371	1,984,487	2,897,339	37,297,483
Additions	-	1,172,332	-	320	81,922	161,348	366,356	613,066	2,395,344
Disposals	-	-	-	-	-	-	-	(139,671)	(139,671)
Written off	-	-	-	-	-	-	(1,434)	-	(1,434)
Transfer from right-of-use assets	-	-	-	-	-	-	-	126,430	126,430
Transfer to investment properties	-	-	(1,480,612)	-	-	-	-	-	(1,480,612)
At 31.12.2024/ 1.1.2025	5,793,476	23,292,318	-	33,834	1,315,620	1,915,719	2,349,409	3,497,164	38,197,540
Additions	-	111,133	-	1,444	83,173	182,000	76,739	337,330	791,819
Disposals	-	-	-	-	-	-	-	(593,633)	(593,633)
Written off	-	-	-	-	(10,666)	-	-	(2,000)	(12,666)
Transfer from right-of-use assets	-	-	-	-	-	-	-	387,566	387,566
At 31.12.2025	5,793,476	23,403,451	-	35,278	1,388,127	2,097,719	2,426,148	3,626,427	38,770,626
Accumulated depreciation									
At 1.1.2024	-	184,333	343,378	20,832	322,486	144,552	192,078	2,150,730	3,358,389
Charge for the financial year	-	456,015	7,612	2,926	117,903	206,571	213,133	417,624	1,421,784
Disposals	-	-	-	-	-	-	-	(133,820)	(133,820)
Written off	-	-	-	-	-	-	(949)	-	(949)
Transfer from right-of-use assets	-	-	-	-	-	-	-	111,430	111,430
Transfer to investment properties	-	-	(350,990)	-	-	-	-	-	(350,990)
At 31.12.2024/ 1.1.2025	-	640,348	-	23,758	440,389	351,123	404,262	2,545,964	4,405,844
Charge for the financial year	-	467,143	-	2,941	126,344	216,869	225,554	320,362	1,359,213
Disposals	-	-	-	-	-	-	-	(439,079)	(439,079)
Written off	-	-	-	-	(7,285)	-	-	(100)	(7,385)
Transfer from right-of-use assets	-	-	-	-	-	-	-	239,142	239,142
At 31.12.2025	-	1,107,491	-	26,699	559,448	567,992	629,816	2,666,289	5,557,735
Net carrying amount									
At 31.12.2024	5,793,476	22,651,970	-	10,076	875,231	1,564,596	1,945,147	951,200	33,791,696
At 31.12.2025	5,793,476	22,295,960	-	8,579	828,679	1,529,727	1,796,332	960,138	33,212,891



NOTES TO THE FINANCIAL STATEMENTS - 31 DECEMBER 2025 (CONTINUED)

6. PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

- (a) The following property, plant and equipment of the Group stated at net carrying amount are charged to licensed banks for banking facilities granted to the Group as disclosed in Note 18:

	GROUP	
	2025 RM	2024 RM
Freehold land	5,793,476	5,793,476
Freehold building	22,295,960	22,651,970
	28,089,436	28,445,446

- (b) Details of cash outflow on acquisition of property, plant and equipment during the financial year are as follows:

	GROUP	
	2025 RM	2024 RM
Aggregate cost of property, plant and equipment acquired, representing cash outflow on acquisition of property, plant and equipment	791,819	2,395,344

7. INVESTMENT PROPERTIES

	GROUP	
	Leasehold buildings RM	Total RM
Cost		
At 1.1.2024	-	-
Transfer from property, plant and equipment	1,480,612	1,480,612
At 31.12.2024/1.1.2025/31.12.2025	1,480,612	1,480,612
Accumulated depreciation		
At 1.1.2024	-	-
Transfer from property, plant and equipment	(350,990)	(350,990)
Charge for the financial year	(32,394)	(32,394)
At 31.12.2024/1.1.2025	(383,384)	(383,384)
Charge for the financial year	(40,007)	(40,007)
At 31.12.2025	(423,391)	(423,391)
Net carrying amount		
At 31.12.2024	1,097,228	1,097,228
At 31.12.2025	1,057,221	1,057,221

NOTES TO THE FINANCIAL STATEMENTS - 31 DECEMBER 2025 (CONTINUED)

7. INVESTMENT PROPERTIES (CONTINUED)

The following are recognised in profit or loss in respect of investment properties:

	GROUP	
	2025 RM	2024 RM
Rental income	(106,680)	(89,890)
Direct operating expenses:		
- Income generating investment properties	28,373	22,147

As at 31 December 2025, the fair values of the Group's investment properties are estimated at RM 1,514,819 (2024: RM 1,595,243) based on the Directors' estimates by reference to open market value of similar properties in the vicinity. The fair values of investment properties are within Level 3 of the fair value hierarchy. The most significant input in the valuation approach adopted by the Group is price per square foot.

8. RIGHT-OF-USE ASSETS AND LEASE LIABILITIES

(a) Right-of-use assets

	GROUP		
	Buildings RM	Motor vehicles RM	Total RM
Cost			
At 1.1.2024	795,693	2,003,078	2,798,771
Transfer to property, plant and equipment	-	(126,430)	(126,430)
Additions	64,084	579,674	643,758
At 31.12.2024/1.1.2025	859,777	2,456,322	3,316,099
Transfer to property, plant and equipment	-	(387,566)	(387,566)
Additions	1,287,420	1,056,015	2,343,435
Expiration of a lease contract	(795,693)	-	(795,693)
Early termination of lease contracts	-	(708,736)	(708,736)
At 31.12.2025	1,351,504	2,416,035	3,767,539
Accumulated depreciation			
At 1.1.2024	(401,090)	(616,324)	(1,017,414)
Transfer to property, plant and equipment	-	111,430	111,430
Charge for the financial year	(246,849)	(472,381)	(719,230)
At 31.12.2024/1.1.2025	(647,939)	(977,275)	(1,625,214)
Transfer to property, plant and equipment	-	239,142	239,142
Charge for the financial year	(270,941)	(538,331)	(809,272)
Expiration of a lease contract	795,693	-	795,693
Early termination of lease contracts	-	472,489	472,489
At 31.12.2025	(123,187)	(803,975)	(927,162)



NOTES TO THE FINANCIAL STATEMENTS - 31 DECEMBER 2025 (CONTINUED)

8. RIGHT-OF-USE ASSETS AND LEASE LIABILITIES (CONTINUED)

(a) Right-of-use assets (continued)

	GROUP		Total RM
	Buildings RM	Motor vehicles RM	
Net carrying amount			
At 31.12.2024	211,838	1,479,047	1,690,885
At 31.12.2025	1,228,317	1,612,060	2,840,377

The Group has lease contracts for commercial properties and motor vehicles used in its operations. Lease of commercial properties has lease term of 3 to 4 years (2024: 3 years), while motor vehicles generally have lease terms between 3 to 5 years (2024: 3 to 5 years). Generally, the Group is restricted from assigning, transferring or subleasing, or creating any charge, lien or trust in respect of or disposing of the commercial properties.

The Group has several lease contracts that include extension and termination options. These options are negotiated by management to provide flexibility in managing the lease-asset portfolio and align with the Group's business needs. Management exercises judgment in determining whether these extension and termination options are reasonably certain to be exercised.

(b) Lease liabilities

	GROUP	
	2025 RM	2024 RM
Non-current		
Lease liabilities	1,570,110	421,626
Current		
Lease liabilities	615,045	476,636
Total lease liabilities	2,185,155	898,262

The movements of lease liabilities during the financial year are as follows:

	GROUP	
	2025 RM	2024 RM
At 1 January	898,262	1,050,459
Additions	1,960,889	380,534
Early termination of lease contracts	(79,134)	-
Accretion of interest	65,669	63,710
Payment of:		
- Principal	(594,862)	(532,731)
- Interest	(65,669)	(63,710)
At 31 December	2,185,155	898,262

NOTES TO THE FINANCIAL STATEMENTS - 31 DECEMBER 2025 (CONTINUED)

8. RIGHT-OF-USE ASSETS AND LEASE LIABILITIES (CONTINUED)

(b) Lease liabilities (continued)

	GROUP	
	2025 RM	2024 RM
Cash outflows for leases		
<i>Included in net cash from investing activities:</i>		
Deposit paid for purchase of right-of-use asset	382,546	263,224
<i>Included in net cash from financing activities:</i>		
Interest paid in relation to lease liabilities	65,669	63,710
Repayment of lease liabilities	594,862	532,731
	660,531	596,441
Total cash outflows for leases	1,043,077	859,665

The maturity analysis of lease liabilities is disclosed in Note 32(ii).

9. INVESTMENTS IN SUBSIDIARIES

	COMPANY	
	2025 RM	2024 RM
Unquoted shares, at cost	322,119,000	322,119,000

Details of the subsidiary companies, which are all incorporated in Malaysia, are as follows:

Name	Principal place of business/ Country of incorporation	Interest in equity held by the Company		Principal activities
		2025 %	2024 %	
Teladan Setia Sdn. Bhd.	Malaysia	100	100	Property development and housing developer
<u>Held through Teladan Setia Sdn. Bhd.</u>				
Asal Harta Sdn. Bhd.	Malaysia	100	100	Property development
Midas Dimensi Sdn. Bhd.	Malaysia	100	100	Property developer
Riverwell Resources Sdn. Bhd.	Malaysia	100	100	Property development
Oriview Realty Sdn. Bhd.	Malaysia	100	100	Housing developer
Pavilion Link Sdn. Bhd.	Malaysia	92	100	Property development and housing developer for residential and commercial projects
Polyintan Sdn. Bhd.	Malaysia	100	100	Construction of buildings
TS Power Sdn. Bhd.	Malaysia	100	100	Management consultancy activities, operation of generation facilities that produce electric energy and other specialised construction activities



NOTES TO THE FINANCIAL STATEMENTS - 31 DECEMBER 2025 (CONTINUED)

9. INVESTMENTS IN SUBSIDIARIES (CONTINUED)

On 23 October 2025, Teladan Setia Sdn. Bhd. ("TSSB") disposed 20,000 of the ordinary shares of Pavilion Link Sdn. Bhd. ("PLSB"), for a total consideration payable amounting to RM20,000. Following the completion of the share disposal, PLSB has become a 92% owned subsidiary of TSSB, which in turn is an indirect 92% owned subsidiary of the Company. The effective equity interest in PLSB has decreased from 100% to 92% as a result of disposal of shares to a non-controlling interest.

10. INVENTORIES

	GROUP	
	2025 RM	2024 RM
Non-current		
Cost:		
- Land held for property development (Note 10(a))	20,621,518	266,112,911
Current		
Cost:		
- Property development costs (Note 10(b))	701,304,737	429,272,414
- Completed development properties ⁽¹⁾	32,689,095	24,135,249
	733,993,832	453,407,663
Net realisable value:		
- Completed development properties ⁽¹⁾	16,268,917	18,505,890
	750,262,749	471,913,553

⁽¹⁾The comparative information has been adjusted to conform with the current financial year's presentation.

During the financial year, the amount of completed development properties recognised as an expense in cost of sales of the Group was RM 15,570,472 (2024: RM13,722,550).

Land held for property development (Note 10(a)) of RM13,610,912 (2024: RM207,767,039) have been pledged with licensed banks for bank borrowings granted to the Group as disclosed in Note 18.

Completed development properties of the Group of RM18,218,602 (2024: RM20,253,099) have been pledged with licensed banks for bank borrowings granted to the Group as disclosed in Note 18.

Included in property development costs (Note 10(b)) and contract cost assets (Note 14(a)) are freehold land and leasehold land of the Group with carrying amount of RM455,696,586 (2024: RM285,675,965) which have been pledged with licensed banks for bank borrowings granted to the Group as disclosed in Note 18.

NOTES TO THE FINANCIAL STATEMENTS - 31 DECEMBER 2025 (CONTINUED)

10. INVENTORIES (CONTINUED)

(a) Land held for property development

	Freehold land RM	Leasehold land RM	Development expenditure RM	Total RM
GROUP				
At cost				
At 1.1.2025	40,755,021	182,569,493	42,788,397	266,112,911
Additions	-	-	403,043	403,043
Write-down	-	-	(477)	(477)
Transfer to property development costs (Note 10(b))	(23,319,382)	(182,569,493)	(40,005,084)	(245,893,959)
At 31.12.2025	17,435,639	-	3,185,879	20,621,518
At cost				
At 1.1.2024	72,777,230	221,572,456	43,649,885	337,999,571
Additions	-	7,810,111	11,025,341	18,835,452
Transfer from property development costs (Note 10(b))	334,296	-	57,140	391,436
Transfer to property development costs (Note 10(b))	(32,356,505)	(46,813,074)	(11,943,969)	(91,113,548)
At 31.12.2024	40,755,021	182,569,493	42,788,397	266,112,911

- (i) Included in additions incurred during the financial year are borrowing costs capitalised of RM359,342 (2024: RM6,505,719).
- (ii) Details of cash outflow on additions to land held for property development during the financial year are as follows:

	GROUP	
	2025 RM	2024 RM
Aggregate cost of additions to land held for property development	403,043	18,835,452
Amount financed by term loan	-	(5,430,000)
Borrowing costs capitalised	(359,342)	(6,505,719)
Cash outflow on additions to land held for property development	43,701	6,899,733



NOTES TO THE FINANCIAL STATEMENTS - 31 DECEMBER 2025 (CONTINUED)

10. INVENTORIES (CONTINUED)

(b) Property development costs

	GROUP	
	2025 RM	2024 RM
At cost		
Freehold land	152,745,772	136,639,661
Leasehold land	158,976,227	112,708,163
Development expenditure	117,550,415	74,388,499
At 1 January	429,272,414	323,736,323
Costs transferred from land held for property development (Note 10(a))		
Freehold land	23,319,382	32,356,505
Leasehold land	182,569,493	46,813,074
Development expenditure	40,005,084	11,943,969
	245,893,959	91,113,548
Costs transferred to land held for property development (Note 10(a))		
Freehold land	-	(334,296)
Development expenditure	-	(57,140)
	-	(391,436)
Costs incurred during the financial year		
Freehold land	-	9,307,485
Leasehold land	9,849,606	11,620,950
Development expenditure	147,805,296	82,430,445
	157,654,902	103,358,880
Costs transferred to contract cost assets (Note 14(a))		
Freehold land	(20,904,200)	(22,147,545)
Leasehold land	(21,820,373)	(12,165,960)
Development expenditure	(66,905,097)	(31,758,132)
	(109,629,670)	(66,071,637)
Transfer to completed development properties		
Freehold land	(1,215,206)	(3,076,038)
Leasehold land	(1,417,656)	-
Development expenditure	(19,254,006)	(19,397,226)
	(21,886,868)	(22,473,264)
At 31 December	701,304,737	429,272,414

NOTES TO THE FINANCIAL STATEMENTS - 31 DECEMBER 2025 (CONTINUED)

10. INVENTORIES (CONTINUED)

(b) Property development costs (continued)

	GROUP	
	2025 RM	2024 RM
Represented by:		
At cost		
Freehold land	153,945,748	152,745,772
Leasehold land	328,157,297	158,976,227
Development expenditure	219,201,692	117,550,415
	701,304,737	429,272,414

Included in additions incurred during the financial year are borrowing costs capitalised of RM9,663,283 (2024: RM6,647,663).

11. DEFERRED TAX ASSETS/(LIABILITIES)

	GROUP	
	2025 RM	2024 RM
At 1 January	1,962,079	(656,921)
Recognised in profit or loss	(1,514,000)	2,619,000
At 31 December	448,079	1,962,079
Presented after appropriate offsetting as follows:		
Deferred tax assets	1,131,000	2,645,000
Deferred tax liabilities	(682,921)	(682,921)
	448,079	1,962,079

The components of deferred tax assets/(liabilities) prior to offsetting are as follows:

	GROUP	
	2025 RM	2024 RM
Deferred tax assets		
Provision	410,000	1,345,000
Lease liabilities	299,000	216,000
Term loan interest	917,000	-
Unabsorbed capital allowances	-	7,000
Unabsorbed tax losses	-	1,623,000
	1,626,000	3,191,000



NOTES TO THE FINANCIAL STATEMENTS - 31 DECEMBER 2025 (CONTINUED)

11. DEFERRED TAX ASSETS/(LIABILITIES) (CONTINUED)

	GROUP	
	2025 RM	2024 RM
Deferred tax liabilities		
Excess of net book value over tax written down value of property, plant and equipment	(205,000)	(145,000)
Fair value adjustment on business combination	(677,921)	(677,921)
Right-of-use assets	(295,000)	(406,000)
	<u>(1,177,921)</u>	<u>(1,228,921)</u>

The deferred tax assets and liabilities are not available for set-off as they arise from different taxable entities within the Group.

12. TRADE AND OTHER RECEIVABLES

	GROUP	
	2025 RM	2024 RM
Non-current		
Non-trade		
Other receivables	8,085,706	7,827,098
Prepayments	595,073	868,487
Total other receivables	<u>8,680,779</u>	<u>8,695,585</u>
Current		
Trade		
Third parties	38,212,633	33,246,601
Non-trade		
Other receivables	597,806	1,214,218
Deposits	13,287,911	19,339,261
Prepayments	1,549,808	1,170,950
Interest receivables	117,878	114,459
	<u>15,553,403</u>	<u>21,838,888</u>
Total trade and other receivables	<u>53,766,036</u>	<u>55,085,489</u>

NOTES TO THE FINANCIAL STATEMENTS - 31 DECEMBER 2025 (CONTINUED)

12. TRADE AND OTHER RECEIVABLES (CONTINUED)

	COMPANY	
	2025 RM	2024 RM
Non-current		
Non-trade		
Amount due from subsidiaries	9,346,614	-
Current		
Non-trade		
Deposits	3,888	1,000
Dividend receivable	25,000,000	-
Amount due from subsidiaries	71,675,246	82,261,388
Total other receivables	96,679,134	82,262,388

- (a) In the previous financial year, included in deposits of the Group are deposits paid amounting to RM8,495,163 for the acquisition of land held for property development as disclosed in Note 30 and Note 35.
- (b) The amount due from subsidiaries represents advances and is unsecured, bears interest at 4.00% (2024: 4.00%) per annum and is recoverable on demand.

13. CONTRACT ASSETS/(LIABILITIES)

	GROUP	
	2025 RM	2024 RM
Contract assets from property development	56,102,464	57,205,957
Contract liabilities from property development	(15,334,961)	(2,126,611)
	40,767,503	55,079,346

The movements of contract assets/(liabilities) from property development are as follows:

	GROUP	
	2025 RM	2024 RM
At 1 January	55,079,346	16,203,864
Consideration payable to customers	483,786	639,208
Provision for liquidated ascertained damages payable to customers	-	52,717
Revenue recognised during the year	283,054,343	301,049,334
Progress billings during the year	(297,849,972)	(262,865,777)
At 31 December	40,767,503	55,079,346



NOTES TO THE FINANCIAL STATEMENTS - 31 DECEMBER 2025 (CONTINUED)

13. CONTRACT ASSETS/(LIABILITIES) (CONTINUED)

Expenses borne on behalf of customers (i.e. legal fees and other expenses) are considered as consideration payable to customers and are amortised against revenue when the related revenues are recognised.

Revenue from property development activities is recognised over time using the input method, which is based on the actual cost incurred to date on the property development projects as compared to the total budgeted cost for the respective development projects.

The transaction price allocated to the remaining performance obligations (unsatisfied or partially unsatisfied) as at the reporting date is as follows:

	GROUP	
	2025 RM	2024 RM
Sale of development properties	280,254,875	181,439,239

The remaining performance obligations are expected to be recognised within 1 to 3 (2024: 1 to 3) years, which are in accordance with the agreed time frames stated in the sale and purchase agreements signed with purchasers.

14. CONTRACT COST ASSETS

	GROUP	
	2025 RM	2024 RM
Costs to fulfil contracts with customers (Note 14 (a))	39,472,554	35,405,804
Costs to obtain contracts with customers (Note 14 (b))	3,048,202	2,009,961
	42,520,756	37,415,765

(a) Costs to fulfil contracts with customers

	GROUP	
	2025 RM	2024 RM
At 1 January	35,405,804	31,475,729
Costs transferred from inventories – property development costs (Note 10(b))	109,629,670	66,071,637
Costs incurred during the financial year	108,964,801	175,693,818
Costs recognised in profit or loss during the financial year	(214,527,721)	(237,835,380)
At 31 December	39,472,554	35,405,804

NOTES TO THE FINANCIAL STATEMENTS - 31 DECEMBER 2025 (CONTINUED)

14. CONTRACT COST ASSETS (CONTINUED)

- (b) Costs to obtain contracts with customers

	GROUP	
	2025 RM	2024 RM
At 1 January	2,009,961	1,220,518
Costs incurred during the financial year	5,777,630	4,144,795
Costs recognised in profit or loss during the financial year	(4,739,389)	(3,355,352)
At 31 December	3,048,202	2,009,961

Costs to obtain contracts with customers represent sales commission paid to intermediaries which are amortised to cost of sales when the related revenues are recognised.

15. SHORT-TERM FUNDS AND DEPOSITS, CASH AND BANK BALANCES

	GROUP	
	2025 RM	2024 RM
At amortised cost:		
Cash and bank balances	47,054,203	34,300,726
Fixed deposits placed with licensed banks	17,791,830	19,068,033
	64,846,033	53,368,759
At fair value through profit or loss:		
Short-term funds	3,800	3,685
Balance as stated in the Statements of Financial Position	64,849,833	53,372,444
Less: Bank overdrafts	(1,990,170)	(1,995,823)
Less: Fixed deposits pledged with licensed banks	(17,791,830)	(19,068,033)
Cash and cash equivalents	45,067,833	32,308,588

	COMPANY	
	2025 RM	2024 RM
At amortised cost:		
Cash and bank balances, representing total cash and cash equivalents	104,249	120,230

- (a) Included in cash and bank balances of the Group are amounts of RM19,631,698 (2024: RM19,639,896) held under the Housing Development Accounts ("HDA") pursuant to Section 7A of the Housing Development (Control and Licensing) Act 1966. These HDA consist of monies received from purchasers. Withdrawals from the HDA are restricted in accordance with the Housing Developers (Housing Development Account) Regulations 1991.
- (b) Fixed deposits of the Group have maturity periods of 1 to 15 months (2024: 1 to 15 months). The effective interest rates of the fixed deposits are between 1.75% to 2.70% (2024: 2.10% to 3.50%) per annum.



NOTES TO THE FINANCIAL STATEMENTS - 31 DECEMBER 2025 (CONTINUED)

15. SHORT-TERM FUNDS AND DEPOSITS, CASH AND BANK BALANCES (CONTINUED)

- (c) Fixed deposits with licensed banks of the Group of RM17,791,830 (2024: RM19,068,033) have been pledged with licensed banks for bank guarantee facilities granted to the Group.
- (d) Short-term funds of the Group represent money market fund investments managed by licensed financial institutions. These short-term funds are investments in highly liquid money market which are readily convertible to a known amount of cash and subject to an insignificant risk of changes in value.
- (e) Short-term funds of the Group represent total amount of financial assets measured at fair value through profit or loss.

16. SHARE CAPITAL AND TREASURY SHARES

- (a) Share capital

	GROUP AND COMPANY			
	Number of ordinary shares		Amount	
	2025 Unit	2024 Unit	2025 RM	2024 RM
Issued and fully paid-up with no par value				
At 1 January	814,458,302	809,857,502	401,625,333	399,324,933
Conversion of warrants	40,227,200	4,600,800	20,113,600	2,300,400
At 31 December	854,685,502	814,458,302	421,738,933	401,625,333

During the financial year, the Company increased its ordinary share capital from 814,458,302 shares to 854,685,502 shares through the issuance of 40,227,200 new ordinary shares pursuant to the conversion of Warrants at an exercise price of RM0.50 per ordinary share for cash.

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

- (b) Warrants

The movements in these Warrants during the financial year to take up new ordinary shares in the Company are as follows:

	Number of warrants
At 1.1.2024	237,029,897
Converted to ordinary shares	(4,600,800)
	232,429,097
At 31.12.2024/1.1.2025	
Converted to ordinary shares	(40,227,200)
At 31.12.2025	192,201,897

NOTES TO THE FINANCIAL STATEMENTS - 31 DECEMBER 2025 (CONTINUED)

16. SHARE CAPITAL AND TREASURY SHARES (CONTINUED)

(b) Warrants (continued)

The main features of Warrants, which were issued on 23 September 2021 and admitted to the Official List and quoted on the ACE Market of Bursa Malaysia Securities Berhad on 27 September 2021 are as follows:

- (i) Each Warrant entitles the Warrant holders, at any time during the exercise period, to subscribe for one (1) new ordinary share at an exercise price of RM0.50, subject to adjustments in accordance with the provisions set out in Deed Poll dated 3 September 2021;
- (ii) The Warrants may be exercised at any time within a period of five (5) years commencing from and including the date of issuance of the Warrants. Any Warrants not exercised during the exercise period will thereafter lapse and cease to be valid;
- (iii) Subject to the provisions of the Deed Poll, the exercise price and/or number of Warrants shall be adjusted by the Board of Directors in consultation with an approved adviser appointed by the Company and certification by the auditors of the Company in the event of alteration to the share capital of the Company, capital distribution or issue of shares in accordance with the provisions of the Deed Poll; and
- (iv) All new ordinary shares to be issued arising from the exercise of the Warrants shall rank pari passu in all respects with the existing ordinary shares of the Company except for such new ordinary shares shall not be entitled to any dividends, rights, allotments and other distributions on or prior to the date of allotment of the new ordinary shares arising from the exercise of the Warrants.

On 2 January 2024, the listing of and quotation for the entire share capital and outstanding warrants of the Company have been transferred from the ACE Market to the Main Market of Bursa Malaysia Securities Berhad.

(c) Treasury shares

	GROUP AND COMPANY			
	Number of ordinary shares		Amount	
	2025 Unit	2024 Unit	2025 RM	2024 RM
At 1 January	-	-	-	-
Purchase of treasury shares	21,854,900	-	20,328,038	-
At 31 December	21,854,900	-	20,328,038	-

During the financial year, the Company repurchased 21,854,900 of its issued ordinary shares from the open market at an average price of RM0.9301 per share. The shares repurchased are being held as treasury shares in accordance with Section 127 of the Companies Act 2016 in Malaysia.

17. MERGER RESERVE

In the event where a new company is formed to facilitate a merger exercise, in which the new company itself is not a business, book value accounting is applied. The assets and liabilities acquired are recognised in the consolidated financial statements at their respective carrying amounts as if the restructuring had occurred before the start of the earliest period presented. The other components of equity of the acquired entities are added to the same components within Group equity.

The merger reserve comprises the difference between cost of investment recorded by the Company and the share capital of Teladan Setia Sdn. Bhd. arising from the restructuring exercise that was completed on 20 January 2021.



NOTES TO THE FINANCIAL STATEMENTS - 31 DECEMBER 2025 (CONTINUED)

18. BANK BORROWINGS

	GROUP	
	2025 RM	2024 RM
Non-current		
Term loans	222,499,224	257,971,105
Less: Unamortised transaction costs	(765,139)	(499,101)
	221,734,085	257,472,004
Current		
Term loans	42,906,229	40,970,085
Less: Unamortised transaction costs	(427,596)	(209,498)
	42,478,633	40,760,587
Revolving credits	58,499,598	44,698,531
Bank overdrafts	1,990,170	1,995,823
	102,968,401	87,454,941
Total bank borrowings		
Term loans	265,405,453	298,941,190
Less: Unamortised transaction costs	(1,192,735)	(708,599)
	264,212,718	298,232,591
Revolving credits	58,499,598	44,698,531
Bank overdrafts	1,990,170	1,995,823
	324,702,486	344,926,945
The bank borrowings are repayable as follows:		
Not later than one year	103,395,997	87,664,439
Later than one year but not later than five years	184,683,201	173,672,833
Later than five years	37,816,023	84,298,272
Less: Unamortised transaction costs	(1,192,735)	(708,599)
	324,702,486	344,926,945
Unamortised transaction costs:		
At 1 January	708,599	457,703
Incurred during the financial year	594,627	302,809
Amortisation for the financial year	(110,491)	(51,913)
At 31 December	1,192,735	708,599

- (a) Borrowings of the Group are secured by legal charges over certain property, plant and equipment, land held for property development, completed development properties, property development costs and contract cost assets of the Group disclosed in Notes 6, 10 and 14.
- (b) Term loans interest of the Group is payable between 4.40% to 6.97% (2024: 4.65% to 7.22%) per annum. Term loans are repayable by monthly instalments of various amount each, inclusive of interest.
- (c) Bank overdrafts interests are payable at 6.45% to 6.70% (2024: 6.70%) per annum, repayable on demand for the Group.
- (d) Revolving credit interests are payable at 4.84% to 6.06% (2024: 5.17% to 5.99%) per annum, repayable monthly and biannually.

NOTES TO THE FINANCIAL STATEMENTS - 31 DECEMBER 2025 (CONTINUED)

18. BANK BORROWINGS (CONTINUED)

(e) Changes in liabilities arising from financing activities:

	Bank borrowings excluding bank overdrafts RM	Lease liabilities RM	Total liabilities from financing activities RM
GROUP			
At 1.1.2024	343,068,756	1,050,459	344,119,215
Additions to land held for property development	5,430,000	-	5,430,000
Accretion of interest	-	63,710	63,710
Capitalisation of borrowing costs	13,153,382	-	13,153,382
Cash flows	(43,259,339)	(596,441)	(43,855,780)
New leases	-	380,534	380,534
Others	24,538,323	-	24,538,323
At 31.12.2024/1.1.2025	342,931,122	898,262	343,829,384
Additions to property development costs	58,951,267	-	58,951,267
Accretion of interest	-	65,669	65,669
Capitalisation of borrowing costs	10,022,625	-	10,022,625
Cash flows	(89,240,790)	(660,531)	(89,901,321)
Early termination of lease contracts	-	(79,134)	(79,134)
New leases	-	1,960,889	1,960,889
Others	48,092	-	48,092
At 31.12.2025	322,712,316	2,185,155	324,897,471

(f) The undrawn committed borrowing facilities as at the reporting date are as follows:

	GROUP	
	2025	2024
	RM	RM
Undrawn committed borrowing facilities	240,947,235	173,493,501



NOTES TO THE FINANCIAL STATEMENTS - 31 DECEMBER 2025 (CONTINUED)

19. TRADE AND OTHER PAYABLES

	GROUP	
	2025 RM	2024 RM
Trade		
Third parties	71,534,996	45,316,939
Retention sums	30,800,551	23,792,666
Accrued development costs	10,971,320	5,941,138
Provision for affordable housing shortfalls	1,710,170	5,604,301
	115,017,037	80,655,044
Non-trade		
Other payables	5,232,417	1,982,905
Accrued expenses	3,018,424	3,613,620
Deposits received	587,298	2,002,166
Provision for liquidated ascertained damages	-	52,717
	8,838,139	7,651,408
Total trade and other payables	123,855,176	88,306,452
	COMPANY	
	2025 RM	2024 RM
Non-trade		
Other payables	51,552	30,681
Accrued expenses	55,339	75,466
Total trade and other payables	106,891	106,147

- (i) The normal credit terms granted to the Group range from 14 to 90 (2024: 30 to 90) days.
- (ii) Retention sums are relating to the development projects. Retention sums are repayable upon expiry of the defect liability period of 3 to 60 months (2024: 3 to 60 months). The retention sums are expected to be settled as follows:

	GROUP	
	2025 RM	2024 RM
Within one year	19,715,690	1,500,453
Later than one year	11,084,861	22,292,213
	30,800,551	23,792,666

NOTES TO THE FINANCIAL STATEMENTS - 31 DECEMBER 2025 (CONTINUED)

19. TRADE AND OTHER PAYABLES (CONTINUED)

(iii) The movements in provisions are as follows:

	Affordable housing shortfalls RM	Liquidated ascertained damages RM	Total RM
GROUP			
At 1.1.2024	1,768,609	-	1,768,609
Provision during the financial year ⁽¹⁾	6,423,116	52,717	6,475,833
Utilisation during the financial year ⁽¹⁾	(2,587,424)	-	(2,587,424)
At 31.12.2024/1.1.2025	5,604,301	52,717	5,657,018
Provision during the financial year	3,731,257	-	3,731,257
Reversal of provision during the financial year	(6,909,284)	-	(6,909,284)
Utilisation during the financial year	(716,104)	(52,717)	(768,821)
At 31.12.2025	1,710,170	-	1,710,170

⁽¹⁾ The comparative information has been adjusted to conform with the current financial year's presentation.

Affordable housing shortfalls

Provision for affordable housing shortfalls represents the Group's requirement to construct housing as a condition of being granted development permission and is expected to be sold for less than the cost to construct to customers identified by the government, whereby the unavoidable costs of meeting the obligations exceed the economic benefits expected to be recovered.

Liquidated ascertained damages

Provision of liquidated ascertained damages ("LAD") is the expected LAD claims calculated at a rate indicated in the agreement with customers from the expiry date of the delivery of vacant possession until the date the customers take vacant possession of the property.

20. REVENUE

	GROUP		COMPANY	
	2025 RM	2024 RM	2025 RM	2024 RM
Revenue from contracts with customers:				
Sale of development properties	283,054,343	301,049,334	-	-
Sale of completed development properties	21,568,438	19,962,490	-	-
Sale of furnishing package	-	13,650	-	-
Revenue from other sources:				
Dividend income from a subsidiary	-	-	30,000,000	4,087,500
	304,622,781	321,025,474	30,000,000	4,087,500



NOTES TO THE FINANCIAL STATEMENTS - 31 DECEMBER 2025 (CONTINUED)

20. REVENUE (CONTINUED)

Disaggregation of the revenue from contracts with customers:

	GROUP	
	2025 RM	2024 RM
Timing of revenue recognition:		
- over time	283,054,343	301,049,334
- at a point in time	21,568,438	19,976,140
	304,622,781	321,025,474

Revenue from contracts with customers of the Group includes RM2,126,611 (2024: RM89,360) that was included in contract liabilities at the beginning of the financial year.

21. COST OF SALES

	GROUP	
	2025 RM	2024 RM
Costs to fulfil contracts with customers	214,527,721	237,835,380
Costs to obtain contracts with customers	4,739,389	3,355,352
Cost of completed development properties sold	15,270,241	13,247,200
Write-down of completed development properties	299,754	475,350
Write-down of land held for property development	477	-
	234,837,582	254,913,282

22. FINANCE COSTS

	GROUP	
	2025 RM	2024 RM
Amortisation of transaction costs on borrowings	48,092	36,261
Bank overdraft interest	131,256	132,978
Interest expense on lease liabilities	65,669	63,710
Revolving credits interest	2,925,491	1,036,057
Term loan interest	3,923,184	3,518,674
	7,093,692	4,787,680

NOTES TO THE FINANCIAL STATEMENTS - 31 DECEMBER 2025 (CONTINUED)

23. PROFIT BEFORE TAX

	GROUP		COMPANY	
	2025 RM	2024 RM	2025 RM	2024 RM
Auditors' remuneration:				
- statutory audit	266,100	230,000	30,000	25,000
- other services	5,000	5,000	5,000	5,000
Depreciation of:				
- property, plant and equipment	1,359,213	1,421,784	-	-
- investment properties	40,007	32,394	-	-
- right-of-use assets	809,272	719,230	-	-
Directors' remuneration:				
- fees	516,000	516,000	372,000	372,000
- salaries, bonuses and other benefits	2,801,786	2,936,434	43,500	37,500
- defined contribution plan	329,760	346,740	-	-
Early termination of lease contracts	(75,598)	-	-	-
Gain on disposal of property, plant and equipment	(100,490)	(48,449)	-	-
Interest income	(1,320,648)	(1,022,271)	(16,599)	(109,453)
Interest income from subsidiaries	-	-	(3,901,087)	(3,089,004)
Property, plant and equipment written off	5,281	485	-	-
Rental income from:				
- investment properties	(106,680)	(89,890)	-	-
- other operating leases	(111,591)	(279,870)	-	-
Staff costs (Note 26)	9,434,345	7,713,159	-	-
Write-down of completed inventories	299,754	475,350	-	-
Write-down of land held for property development	477	-	-	-

24. INCOME TAX EXPENSE

	GROUP		COMPANY	
	2025 RM	2024 RM	2025 RM	2024 RM
Current financial year:				
- income tax	8,919,000	13,256,982	927,000	695,000
- deferred tax	1,864,000	(1,906,405)	-	-
	10,783,000	11,350,577	927,000	695,000
Under/(Over) provision in prior financial years:				
- income tax	1,152,526	314,469	22,399	(163)
- deferred tax	(350,000)	(712,595)	-	-
	11,585,526	10,952,451	949,399	694,837



NOTES TO THE FINANCIAL STATEMENTS - 31 DECEMBER 2025 (CONTINUED)

24. INCOME TAX EXPENSE (CONTINUED)

The reconciliation of income tax expense and profit before tax multiplied by the applicable statutory income tax rate is as follows:

	GROUP		COMPANY	
	2025 RM	2024 RM	2025 RM	2024 RM
Profit before tax	39,613,395	39,640,349	33,026,714	5,951,121
Tax at statutory tax rate of 24% (2024: 24%)	9,507,214	9,513,684	7,926,411	1,428,269
Tax effects in respect of:				
Non-allowable expenses	1,012,179	1,589,465	200,630	274,000
Non-taxable income	(91,803)	(78,559)	(7,200,041)	(1,007,269)
Deferred tax assets not recognised	355,410	325,987	-	-
Under/(Over) provision in prior financial years:				
- income tax	1,152,526	314,469	22,399	(163)
- deferred tax	(350,000)	(712,595)	-	-
Total tax expense	11,585,526	10,952,451	949,399	694,837

The Group has the following deferred tax assets which are not recognised in the financial statements due to uncertainty in the availability of future taxable income:

	GROUP	
	2025 RM	2024 RM
Unabsorbed tax losses	886,861	531,451

As at 31 December 2025, the Group has unabsorbed tax losses of RM3,695,257 (2024: RM2,214,380) respectively, which are available to be set off against future chargeable income.

With effect from year of assessment ("YA") 2019, the period for unabsorbed tax losses carried forward is limited to 10 consecutive YAs. Any balance of unabsorbed tax losses after the end of the period of 10 consecutive YAs is to be disregarded.

	Unabsorbed tax losses RM	Disregarded from YA
YA 2023	847,684	2034
YA 2024	1,366,696	2035
YA 2025	1,480,877	2036

25. EARNINGS PER ORDINARY SHARE

(a) Basic earnings per ordinary share

Basic earnings per ordinary share is calculated by dividing the profit for the year attributable to ordinary equity holders of the Company by the weighted average number of ordinary shares outstanding during the year, excluding ordinary shares purchased by the Company and held as treasury shares (Note 16(c)).

NOTES TO THE FINANCIAL STATEMENTS - 31 DECEMBER 2025 (CONTINUED)

25. EARNINGS PER ORDINARY SHARE (CONTINUED)

(a) Basic earnings per ordinary share (continued)

	GROUP	
	2025 RM	2024 RM
Net profit attributable to equity holders of the Company	28,000,052	28,688,717
	Number of shares	
	2025	2024
Weighted average number of ordinary shares for basic earnings per ordinary share computation	826,419,454	812,513,453
Basic earnings per ordinary share (in sen)	3.39	3.53

The weighted average number of ordinary shares takes into account the weighted average effects of conversion of warrants to ordinary shares during the financial year.

(b) Diluted earnings per ordinary share

Diluted earnings per ordinary share is calculated by dividing the profit attributable to ordinary equity holders of the Company by the weighted average number of ordinary shares outstanding during the year plus the weighted average number of ordinary shares that would be issued on conversion of all the dilutive potential ordinary shares into ordinary shares, excluding ordinary shares purchased by the Company and held as treasury shares (Note 16(c)).

	GROUP	
	2025 RM	2024 RM
Net profit attributable to equity holders of the Company	28,000,052	28,688,717
	Number of shares	
	2025	2024
Weighted average number of ordinary shares for basic earnings per ordinary share computation	826,419,454	812,513,453
Effects of dilution from conversion of warrants outstanding at reporting date to ordinary shares	95,742,574	118,590,577
Weighted average number of ordinary shares for diluted earnings per ordinary share computation	922,162,028	931,104,030
Diluted earnings per ordinary share (in sen)	3.04	3.08

26. STAFF COSTS

	GROUP	
	2025 RM	2024 RM
Salaries, bonuses and other benefits	8,493,678	6,956,177
Defined contribution plan	940,667	756,982
	9,434,345	7,713,159



NOTES TO THE FINANCIAL STATEMENTS

- 31 DECEMBER 2025 (CONTINUED)

27. RELATED PARTY TRANSACTIONS

For the purposes of these financial statements, parties are considered to be related to the Group and the Company if the Group or the Company has the ability, directly or indirectly, to control or jointly control the party or exercise significant influence over the party in making financial and operating decisions, or vice versa, or where the Group or the Company and the party are subject to common control. Related parties may be individuals or other entities.

Related parties also include key management personnel defined as those persons having authority and responsibility for planning, directing and controlling the activities of the Group and of the Company either directly or indirectly. The key management personnel include all the directors of the Group and of the Company.

The Company has related party relationships with its subsidiaries, related companies and directors.

Key management personnel compensation

The key management personnel of the Group and of the Company include executive directors of the Group and of the Company, non-executive directors of the Group and of the Company and certain members of senior management of the Group.

The key management personnel compensation during the financial year are as follows:

	GROUP		COMPANY	
	2025 RM	2024 RM	2025 RM	2024 RM
Directors				
- fees	516,000	516,000	372,000	372,000
- salaries, bonuses and other benefits	2,801,786	2,936,434	43,500	37,500
- defined contribution plan	329,760	346,740	-	-
- monetary value of benefits-in-kind	144,686	143,149	-	-
Total directors' remuneration	3,792,232	3,942,323	415,500	409,500
Other key management personnel				
- salaries, bonuses and other benefits	1,374,860	1,045,126	-	-
- defined contribution plan	144,046	120,971	-	-
- monetary value of benefits-in-kind	49,178	39,082	-	-
Total compensation for other key management personnel	1,568,084	1,205,179	-	-

Significant related party transactions

The significant related party transactions of the Group and of the Company are as follows:

	GROUP	
	2025 RM	2024 RM
Transactions with a director:		
- Progress billings on sale of property	-	193,443
Transactions with companies in which directors have interests:		
- Provision of online investor relation services	12,000	12,000
- Provision of property management services	2,520	-
Transaction with a director's spouse:		
- Rental expenses	5,600	-

NOTES TO THE FINANCIAL STATEMENTS - 31 DECEMBER 2025 (CONTINUED)

27. RELATED PARTY TRANSACTIONS (CONTINUED)

Significant related party transactions (continued)

The significant related party transactions of the Group and of the Company are as follows: (continued)

	COMPANY	
	2025 RM	2024 RM
Transaction with a company in which a director has interest:		
- Provision of online investor relation services	12,000	12,000
Transactions with subsidiary companies:		
- Interest income	(3,901,087)	(3,089,004)
- Dividend income	(30,000,000)	(4,087,500)

28. OPERATING SEGMENTS

Information about operating segments has not been reported separately as the Group's revenue, profit or loss, assets and liabilities are mainly confined to a single operating segment predominantly operates in Malaysia, namely developer which comprise development of residential and commercial properties.

Major customers

There is no single customer that contributed 10% or more to the Group's revenue.

29. DIVIDEND

	GROUP AND COMPANY	
	2025 RM	2024 RM
In respect of the financial year ended 31 December 2024:		
Interim single-tier dividend of RM0.005 per ordinary share, paid on 30 December 2024	-	4,071,879
In respect of the financial year ended 31 December 2025:		
Interim single-tier dividend of RM0.01 per ordinary share, paid on 31 December 2025	8,330,194	-
	8,330,194	4,071,879

Before the dividends were paid to the shareholders, the directors of the Company had taken reasonable steps to ensure that the Company would be able to pay its debts in full within 12 months after the payment of dividends to shareholders.

30. CAPITAL COMMITMENTS

	GROUP	
	2025 RM	2024 RM
Land held for property development		
- Authorised and contracted for	-	40,048,624



NOTES TO THE FINANCIAL STATEMENTS

- 31 DECEMBER 2025 (CONTINUED)

31. FINANCIAL INSTRUMENTS

Categories of financial instruments

Financial assets and financial liabilities are measured either at fair value or at amortised cost. The material accounting policy information of the Group and of the Company describe how the classes of financial instruments are measured. The following table analyses the financial assets and liabilities in the statements of financial position by the class of financial instruments to which they are assigned, and therefore by the measurement basis:

	At amortised cost RM	At fair value through profit or loss RM	Total RM
GROUP			
Financial assets			
At 31 December 2025			
Trade and other receivables (excluding prepayments)			
- Non-current	8,085,706	-	8,085,706
- Current	52,216,228	-	52,216,228
Cash and bank balances	47,054,203	-	47,054,203
Fixed deposits placed with licensed banks	17,791,830	-	17,791,830
Short-term funds	-	3,800	3,800
Total financial assets	125,147,967	3,800	125,151,767
At 31 December 2024			
Trade and other receivables (excluding prepayments)			
- Non-current	7,827,098	-	7,827,098
- Current	53,914,539	-	53,914,539
Cash and bank balances	34,300,726	-	34,300,726
Fixed deposits placed with licensed banks	19,068,033	-	19,068,033
Short-term funds	-	3,685	3,685
Total financial assets	115,110,396	3,685	115,114,081
Financial liabilities			
At 31 December 2025			
Bank borrowings			
- Non-current	221,734,085	-	221,734,085
- Current	102,968,401	-	102,968,401
Trade and other payables (excluding provisions)	122,145,006	-	122,145,006
Total financial liabilities	446,847,492	-	446,847,492
At 31 December 2024			
Bank borrowings			
- Non-current	257,472,004	-	257,472,004
- Current	87,454,941	-	87,454,941
Trade and other payables (excluding provisions)	82,649,434	-	82,649,434
Total financial liabilities	427,576,379	-	427,576,379

NOTES TO THE FINANCIAL STATEMENTS - 31 DECEMBER 2025 (CONTINUED)

31. FINANCIAL INSTRUMENTS (CONTINUED)

Categories of financial instruments (continued)

	At amortised cost RM	At fair value through profit or loss RM	Total RM
COMPANY			
Financial assets			
At 31 December 2025			
Trade and other receivables (excluding prepayments)			
- Non-current	9,346,614	-	9,346,614
- Current	96,679,134	-	96,679,134
Cash and bank balances	104,249	-	104,249
Total financial assets	106,129,997	-	106,129,997
At 31 December 2024			
Trade and other receivables (excluding prepayments)			
- Current	82,262,388	-	82,262,388
Cash and bank balances	120,230	-	120,230
Total financial assets	82,382,618	-	82,382,618
Financial liabilities			
At 31 December 2025			
Trade and other payables, representing total financial liabilities	106,891	-	106,891
At 31 December 2024			
Trade and other payables, representing total financial liabilities	106,147	-	106,147

32. FINANCIAL RISK MANAGEMENT

The Group and the Company are exposed mainly to the following risks. Information on the management of the related exposures is detailed below:

- (i) Credit risk
- (ii) Liquidity risk
- (iii) Market risk

(i) Credit risk

Credit risk is the risk of a financial loss to the Group and the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations. The Group's and the Company's exposure to credit risk arises principally from its receivables from customers, bank balances and short-term funds.

Receivables and contract assets

The management has a credit policy in place and the exposure to credit risk is monitored on an ongoing basis. Credit evaluations are performed on customers requiring credit over a certain amount. Based on the credit evaluation, the customers are rated into three risk categories, namely low risk, medium risk and high risk.

As at the end of the reporting period, the maximum exposure to credit risk arising from receivables and contract assets are represented by the carrying amounts in the statements of financial position.



NOTES TO THE FINANCIAL STATEMENTS - 31 DECEMBER 2025 (CONTINUED)

32. FINANCIAL RISK MANAGEMENT (CONTINUED)

(i) Credit risk (continued)

Management has taken reasonable steps to ensure that receivables and contract assets that are neither past due nor impaired are stated at their realisable values.

Ageing analysis of contract assets and trade receivables as at the reporting date is as follows:

	Contract	Trade receivables		Total
	assets	Loan	Self-finance	
	RM	RM	RM	RM
GROUP				
At 31 December 2025				
Not past due	56,102,464	24,345,549	1,257,667	81,705,680
Past due 1-30 days	-	7,887,330	18,000	7,905,330
Past due 31-120 days	-	3,163,976	21,000	3,184,976
Past due more than 120 days	-	1,519,111	-	1,519,111
	56,102,464	36,915,966	1,296,667	94,315,097
At 31 December 2024				
Not past due	57,205,957	25,404,531	645,865	83,256,353
Past due 1-30 days	-	3,043,775	110,963	3,154,738
Past due 31-120 days	-	3,028,598	202,605	3,231,203
Past due more than 120 days	-	750,222	60,042	810,264
	57,205,957	32,227,126	1,019,475	90,452,558

Credit risk arising from property development

The Group does not have any significant credit risk from its property development activities as its services and products are predominantly rendered and sold to a large number of property purchasers using financing from reputable end-financiers.

As the title and vacant possession of the sold properties would be transferred to the customers only upon full payment of the entire sale consideration, the management believes that credit risk inherent in the Group outstanding trade receivable balances and contract assets is not significant.

Trade receivables are monitored on an on-going basis via the Group's management reporting procedures. The Group does not have any significant exposure to any individual customer or counterparty nor does the Group has any major concentration of credit risk related to any financial instruments.

Credit risk arising from deposits with licensed banks

Concentration of credit risk arising from deposits with licensed banks is limited as bank deposits are held with reputable financial institutions.

NOTES TO THE FINANCIAL STATEMENTS - 31 DECEMBER 2025 (CONTINUED)

32. FINANCIAL RISK MANAGEMENT (CONTINUED)

(i) Credit risk (continued)

Credit risk arising from financial corporate guarantees

The financial corporate guarantees and undertakings are provided by the Company to banks to secure borrowings of certain subsidiaries. The Company monitors the financial performance (including the ability to service the loans and facilities) of the subsidiaries on an on-going and individual basis.

The maximum exposure to credit risk amounts to RM308,550,016 (2024: RM332,354,303), representing the outstanding banking facilities of the subsidiaries as at the end of the reporting period.

The Company assumes that there is a significant increase in credit risk when a subsidiary's financial position deteriorates significantly. The Company considers a financial guarantee to be credit impaired when:

- The subsidiary is unlikely to repay its obligation to the bank in full; or
- The subsidiary is having a deficit shareholder's fund and is continuously loss making.

The Company determines the probability of default of the guaranteed amounts individually using internal information available.

As at the end of the reporting period, the Company did not recognise any allowance for impairment in respect of financial guarantees since the fair value on initial recognition was not material.

Inter-company balances

The Company provides unsecured advances to its subsidiaries. The Company monitors the results of the subsidiaries regularly.

As at end of the reporting date, the maximum exposure to credit risk is represented by their carrying amounts in the statements of financial position. There was no indication that the loans and advances to the subsidiaries are not recoverable.

(ii) Liquidity risk

Liquidity risk is the risk that the Group and the Company will not be able to meet its financial obligations as they fall due. The Group's and the Company's exposure to liquidity risk arises principally from its various payables, loans and borrowings.

The Group and the Company maintain a level of cash and cash equivalents and banking 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.

It is not expected that the cash flows included in the maturity analysis could occur significantly earlier, or at significantly different amounts.

NOTES TO THE FINANCIAL STATEMENTS

- 31 DECEMBER 2025 (CONTINUED)

32. FINANCIAL RISK MANAGEMENT (CONTINUED)

(ii) Liquidity risk (continued)

The table below summarises the maturity profile of the Group's and of the Company's financial liabilities as at the end of the reporting period based on undiscounted contractual payments:

GROUP	Carrying amount RM	Contractual interest rate/ coupon	Contractual cash flows			
			Under 1 year RM	2-5 years RM	More than 5 years RM	
At 31 December 2025						
Trade and other payables (excluding provisions)	122,145,006	-	111,060,145	10,907,528	177,333	
Bank borrowings	324,702,486	4.40% - 6.97%	115,563,029	208,199,358	40,018,672	
Lease liabilities	2,185,155	2.29% - 7.72%	704,712	1,673,013	-	
	449,032,647		488,303,790	227,327,886	40,196,005	
At 31 December 2024						
Trade and other payables (excluding provisions)	82,649,434	-	60,357,221	22,286,963	5,250	
Bank borrowings	344,926,945	4.65% - 7.22%	397,413,529	99,955,177	90,890,440	
Lease liabilities	898,262	2.42% - 7.72%	971,503	519,125	-	
	428,474,641		481,034,466	160,831,523	90,895,690	
COMPANY						
At 31 December 2025						
Trade and other payables	106,891	-	106,891	-	-	
Financial guarantees	-	-	308,550,016	-	-	
	106,891		308,656,907	-	-	
At 31 December 2024						
Trade and other payables	106,147	-	106,147	-	-	
Financial guarantees	-	-	332,354,303	-	-	
	106,147		332,460,450	-	-	

NOTES TO THE FINANCIAL STATEMENTS - 31 DECEMBER 2025 (CONTINUED)

32. FINANCIAL RISK MANAGEMENT (CONTINUED)

(iii) Market risk

Market risk is the risk that changes in market prices, such as interest rates and other prices that will affect the Group's financial position or cash flows.

Interest rate risk

The Group's floating rate borrowings are exposed to a risk of change in their fair value due to changes in interest rates. Short-term receivables and payables are not significantly exposed to interest rate risk.

The interest rate profile of the Group's significant interest-bearing financial instruments, based on carrying amounts as at the end of the reporting period was:

	GROUP	
	2025 RM	2024 RM
Floating rate instruments		
Bank borrowings	324,702,486	344,926,945

Fair value sensitivity analysis for fixed rate instruments

The Group does not account for any fixed rate financial assets and liabilities at fair value through profit or loss, and the Group does not designate derivatives as hedging instruments under a fair value hedge accounting model. Therefore, a change in interest rates at the end of the reporting period would not affect profit or loss and equity.

Cash flow sensitivity analysis for variable rate instruments

At reporting date, if interest rates had been 100 basis points higher or lower, with all other variables held constant, the Group's profit after tax and equity would have been RM2,467,739 (2024: RM2,621,445) lower or higher, arising mainly as a result of higher or lower interest expenses on bank borrowings for the Group. The assumed movement in basis points for interest rate sensitivity analysis is based on the currently observable market environment.

33. FAIR VALUE OF FINANCIAL INSTRUMENTS

The following table provides the fair value measurement hierarchy of the Group's and the Company's assets and liabilities:

	Fair value measurement using			Total RM
	Quoted prices (Level 1) RM	Significant observable inputs (Level 2) RM	Significant unobservable inputs (Level 3) RM	
Assets measured at fair value				
GROUP				
At 31 December 2025				
Short-term funds	-	3,800	-	3,800
At 31 December 2024				
Short-term funds	-	3,685	-	3,685



NOTES TO THE FINANCIAL STATEMENTS - 31 DECEMBER 2025 (CONTINUED)

33. FAIR VALUE OF FINANCIAL INSTRUMENTS (CONTINUED)

There are no liabilities measured at fair value.

There were no transfers between Level 1, Level 2 and Level 3 during the financial year.

Short-term funds are valued based on the Net Asset Value (“NAV”) of the funds.

The carrying amounts of cash and cash equivalents, trade and other receivables and trade and other payables, lease liabilities and bank borrowings approximate at fair values due to the relatively short-term nature of these financial instruments. As term loans were obtained from licensed banks at the prevailing market rate, the carrying value of these financial liabilities approximates their fair value.

34. CAPITAL MANAGEMENT

The Group’s objectives when managing capital is to maintain a strong capital base and safeguard the Group’s ability to continue as a going concern, so as to maintain the confidence of investor, creditor and market and to sustain future development of the business. The Directors monitor and determine to maintain an optimal debt-to-equity ratio that complies with regulatory requirements and debt covenants. There have been no breaches of the financial covenants of any borrowing in the current financial year.

No changes were made in the objectives, policies or processes for managing capital during the financial years ended 31 December 2025 and 31 December 2024.

The debt-to-equity ratios as at 31 December 2025 and at 31 December 2024 were as follows:

	GROUP	
	2025 RM	2024 RM
Bank borrowings (Note 18)	324,702,486	344,926,945
Lease liabilities (Note 8(b))	2,185,155	898,262
Less: Cash and bank balances	(64,849,833)	(53,372,444)
Net debt	262,037,808	292,452,763
Total equity	565,986,620	546,483,383
Debt-to-equity ratio	0.46	0.54

35. SIGNIFICANT EVENT DURING THE FINANCIAL YEAR

On 31 January 2023, the Group via its subsidiary, Asal Harta Sdn. Bhd., entered into a sale and purchase agreement with a third party to purchase a piece of leasehold land forming part of the Master Land held under PN 72035, Lot 11357, Kawasan Bandar XLII (formerly known as PN 56725, Lot 11357, Kawasan Bandar XLII), District of Melaka Tengah, State of Melaka for a purchase consideration of RM48,543,787.

On 17 January 2024, the Company announced that Asal Harta Sdn. Bhd. agreed to grant third party a further extension of time for twelve (12) months to satisfy the Conditions Precedent (“Extension Sought”). Save for the Extension Sought, all other terms and conditions as stated in the sale and purchase agreement remain unchanged.

On 7 February 2025, the Company announced that despite the Extension Sought granted to third party, the third party was not able to fulfil the Condition Precedent. In view thereof, the Company has elected to rescind the sale and purchase agreement pursuant to the provisions in the sale and purchase agreement.

NOTES TO THE FINANCIAL STATEMENTS - 31 DECEMBER 2025 (CONTINUED)

36. OTHER INFORMATION

- (a) The Company is a public limited liability company, incorporated and domiciled in Malaysia. The Company was listed on the ACE Market of Bursa Malaysia Securities Berhad and is transferred to the Main Market of Bursa Malaysia Securities Berhad on 2 January 2024.
- (b) The registered office is situated at:
- Level 7, Menara Milenium
Jalan Damanlela
Pusat Bandar Damansara
Damansara Heights
50490 Kuala Lumpur
Wilayah Persekutuan
- (c) The principal place of business is situated at:
- Wisma Teladan
Lot 13253
Jalan Batu Berendam
Batu Berendam
75350 Melaka
- (d) The financial statements are presented in Ringgit Malaysia, which is also the Group's and the Company's functional currency.

37. APPROVAL OF FINANCIAL STATEMENTS

The financial statements were authorised for issue in accordance with a resolution by the Board of Directors on 15 April 2026.



STATEMENT BY DIRECTORS AND STATUTORY DECLARATION

STATEMENT BY DIRECTORS Pursuant to Section 251(2) of the Companies Act 2016

We, the undersigned, being two of the directors of **TELADAN GROUP BERHAD (Registration No. 201901004975 (1314302-V))**, do hereby state that, in the opinion of the directors, the financial statements set out on pages 150 to 204 are drawn up in accordance with MFRS Accounting Standards, IFRS Accounting Standards and the requirements of the Companies Act 2016 in Malaysia so as to give a true and fair view of the financial position of the Group and of the Company as at 31 December 2025 and of their financial performance and their cash flows for the financial year then ended.

Signed on behalf of the Board of Directors in accordance with a resolution of the directors:

TEO LAY BAN

SIA AH PIEW

Melaka

15 April 2026

STATUTORY DECLARATION Pursuant to Section 251(1)(b) of the Companies Act 2016

I, **NG MIH FERN (MIA No.: 31798)**, being the officer primarily responsible for the financial management of **TELADAN GROUP BERHAD (Registration No. 201901004975 (1314302-V))**, do solemnly and sincerely declare that the financial statements set out on pages 150 to 204 are to the best of my knowledge and belief, 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.

NG MIH FERN
(MIA No.: 31798)

Subscribed and solemnly declared
by the abovenamed at Melaka
in the State of Melaka on 15 April 2026

Before me,

Commissioner for Oaths
Melaka

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF TELADAN GROUP BERHAD

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Teladan Group Berhad, which comprise the statements of financial position as at 31 December 2025 of the Group and of the Company, and the statements of profit or loss and other comprehensive income, statements of changes in equity and statements of cash flows of the Group and of the Company for the year then ended, and notes to the financial statements, including material accounting policy information, as set out on pages 150 to 204.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Group and of the Company as at 31 December 2025, and of their financial performance and their cash flows for the year then ended in accordance with MFRS Accounting Standards, IFRS Accounting Standards and the requirements of the Companies Act 2016 in Malaysia.

Basis for Opinion

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

Independence and Other Ethical Responsibilities

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

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the Group and of the Company for the current financial year. We have determined that there are no key audit matters to communicate in our report on the financial statements of the Company. The key audit matters for the audit of the financial statements of the Group are described below. These matters were addressed in the context of our audit of the financial statements of the Group as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.



INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF TELADAN GROUP BERHAD (CONTINUED)

Key Audit Matters (continued)

Key audit matters	How our audit addressed the key audit matters
<p><u>Revenue and cost of sales in respect of property development activities</u></p> <p>Refer to Note 20 and Note 21 to the financial statements.</p> <p>A significant proportion of the Group's revenues and profits are derived from property development contracts which span more than one accounting period. For the financial year ended 31 December 2025, property development revenue from ongoing projects of RM283,054,343 and cost of sales of RM219,267,110 accounted for approximately 93% and 93% of the Group's revenue and cost of sales respectively. For these property development contracts which revenue is recognised over time, the Group uses the input method in determining the percentage of completion, which is based on the actual cost incurred to date on the property development project over the total budgeted cost for the respective development projects, in accounting for the progress towards complete satisfaction of the Group's performance obligation.</p> <p>We identified revenue and cost of sales in respect of property development activities as areas requiring audit focus as significant management's judgement and estimates are involved in estimating the total property development costs to complete the project, which include the common infrastructure costs (which is used to determine progress towards complete satisfaction of the Group's performance obligation and gross profit margin of the property development activities undertaken by the Group).</p>	<p>Our audit procedures included the following:</p> <ul style="list-style-type: none"> - Reviewed the reasonableness of the management's key judgements used in the estimation of budgeted property development costs including the provisions and allocations of common infrastructure costs for the property development projects by examining documentary evidence such as letter of award issued to contractors. - Considered the historical accuracy of management's forecasts for similar property development projects in evaluating the estimated total property development costs. - Evaluated the determination of the progress towards complete satisfaction of the Group's performance obligation by examining supporting evidence such as contractors' progress claims and suppliers' invoices. - Reviewed the stage of completion of ongoing development projects to assess possible liquidated ascertained damages ("LAD") and the adequacy of provision for LAD. - Observed the progress of the property development phases by performing site visit and examine physical progress reports. We also discussed the status of ongoing property development phases with management, finance personnel and project officials. - Verified the gross development value by examining the signed sales and purchase agreement and intended selling price of the unsold units to the latest transacted selling price. - Recomputed the calculation of percentage of completion to ascertain there is no mathematical error which may render in the over/understatement of profit recognition.

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 Directors' Report, Statement on Risk Management and Internal Control and other sections included in the annual report, but does not include the financial statements of the Group and of the Company and our auditors' report thereon.

Our opinion on the financial statements of the Group and of the Company does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements of the Group and of the Company, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements of the Group and of the Company or our knowledge obtained in the audit or otherwise appears to be materially misstated.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF TELADAN GROUP BERHAD (CONTINUED)

Information Other than the Financial Statements and Auditors' Report Thereon (continued)

If, based on the work we have performed, we conclude that there is a material misstatement of the other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Directors for the Financial Statements

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

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

Auditors' Responsibilities for the Audit of the Financial Statements

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

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

- Identify and assess the risks of material 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.



INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF TELADAN GROUP BERHAD (CONTINUED)

Auditors' Responsibilities for the Audit of the Financial Statements (continued)

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:
(continued)

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

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

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

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

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.

RSM Malaysia PLT
202206000002 (LLP0030276-LCA) & AF 0768
Chartered Accountants

Ronald Teo Ming Keong
03674/07/2026 J
Chartered Accountant

Kuala Lumpur

15 April 2026

ANALYSIS OF SHAREHOLDINGS AS AT 31 MARCH 2026

Class of Shares	: Ordinary shares
Total Number of Issued Shares	: 833,693,802 (excluding 22,643,900 Treasury Shares)
Number of Shareholders	: 1,165
Voting Rights	: One (1) vote per ordinary share on a poll

DISTRIBUTION OF SHAREHOLDINGS

Size of Holdings	No. of Shareholders	%	No. of Shares	%
1 - 99	216	18.54	800	0.00
100 - 1,000	382	32.79	146,600	0.02
1,001 - 10,000	289	24.81	1,401,500	0.17
10,001 - 100,000	149	12.79	5,485,400	0.66
100,001 - 41,684,689 (*)	123	10.56	332,261,500	39.85
41,684,690 and above (**)	6	0.51	494,398,002	59.30
Total	1,165	100.00	833,693,802	100.00

Remark:* Less than 5% of issued shares
 ** 5% and above of issued shares

SUBSTANTIAL SHAREHOLDERS

No.	Name	Direct		Indirect	
		No. of shares	(%)	No. of shares	(%)
1.	Teo Lay Ban	337,003,762	40.42	-	-
2.	Teo Lay Lee	89,978,080	10.79	-	-
3.	Teo Siew May	89,978,080	10.79	-	-
4.	Wan Lei Chin	89,478,080	10.73	-	-

DIRECTORS' SHAREHOLDINGS

No.	Name	Direct		Indirect	
		No. of shares	(%)	No. of shares	(%)
1.	Teo Lay Ban	337,003,762	40.42	-	-
2.	Teo Lay Lee	89,978,080	10.79	-	-
3.	Teo Siew May	89,978,080	10.79	-	-
4.	Sia Ah Piew	439,500	0.05	-	-
5.	Foo Yit Lan	78,000	0.01	-	-
6.	Roy Thean Chong Yew	65,000	0.01	-	-
7.	Annandan A/L Chandran	15,000	0.00	-	-
8.	Madeline Lee May Ming	-	-	-	-



ANALYSIS OF SHAREHOLDINGS AS AT 31 MARCH 2026

THIRTY (30) LARGEST SHAREHOLDERS

No.	Name	Shareholdings	%
1.	Teo Lay Ban	128,163,762	15.37
2.	Teo Lay Lee	89,978,080	10.79
3.	Teo Siew May	89,978,080	10.79
4.	Wan Lei Chin	89,478,080	10.73
5.	AMSEC Nominees (Tempatan) Sdn. Bhd. - Pledged Securities Account - Ambank (M) Berhad for Teo Lay Ban	50,000,000	6.00
6.	AllianceGroup Nominees (Tempatan) Sdn. Bhd. - Pledged Securities Account for Teo Lay Ban	46,800,000	5.61
7.	Amanah Raya Berhad – Kumpulan Wang Bersama Syariah	40,000,000	4.80
8.	CGS International Nominees Malaysia (Tempatan) Sdn. Bhd. - Pledged Securities Account for Teo Lay Ban	27,000,000	3.24
9.	CIMSEC Nominees (Tempatan) Sdn. Bhd. - CIMB for Teo Lay Ban	24,160,000	2.90
10.	Citigroup Nominees (Asing) Sdn. Bhd. – Exempt AN for Citibank New York	22,000,000	2.64
11.	Affin Hwang Nominees (Tempatan) Sdn. Bhd. - Pledged Securities Account for Teo Lay Ban	21,300,000	2.55
12.	CGS International Nominees Malaysia (Asing) Sdn. Bhd. – Exempt AN for CGS International Securities Singapore Pte. Ltd.	12,000,000	1.44
13.	AMSEC Nominees (Tempatan) Sdn. Bhd. - Pledged Securities Account – Ambank (M) Berhad for Teo Lay Ban	10,500,000	1.26
14.	Maybank Nominees (Tempatan) Sdn. Bhd. - Pledged Securities Account for Teo Lay Ban	10,080,000	1.21
15.	CGS International Nominees Malaysia (Tempatan) Sdn. Bhd. - Pledged Securities Account for Dato' Ong Choo Meng	8,000,000	0.96
16.	AllianceGroup Nominees (Tempatan) Sdn. Bhd. - Pledged Securities Account for Lau Kim San	7,674,700	0.92
17.	CIMSEC Nominees (Tempatan) Sdn. Bhd. - CIMB for Phum Ang Kia	7,389,000	0.89
18.	M & A Nominee (Tempatan) Sdn. Bhd. - Al Rajhi Banking & Investment Corporation (Malaysia) Bhd Pledged Signature International Berhad	7,000,000	0.84
19.	RHB Nominees (Tempatan) Sdn. Bhd. – Pledged Securities Account for Teo Lay Ban	7,000,000	0.84
20.	Affin Hwang Nominees (Tempatan) Sdn. Bhd. - Pledged Securities Account for Dato' Ong Choo Meng	6,250,000	0.75
21.	CGS International Nominees Malaysia (Tempatan) Sdn. Bhd. - Pledged Securities Account for Chin Hin Group Property Berhad	5,300,000	0.64
22.	AllianceGroup Nominees (Tempatan) Sdn. Bhd. - Pledged Securities Account for Lee Hai Peng	4,392,700	0.53
23.	Affin Hwang Nominees (Tempatan) Sdn. Bhd. - Pledged Securities Account for Dato' Ong Choo Meng	4,282,100	0.51
24.	Affin Hwang Nominees (Tempatan) Sdn. Bhd. - Pledged Securities Account for Tan Chee Sing	4,000,000	0.48
25.	AMSEC Nominees (Tempatan) Sdn. Bhd. - Pledged Securities Account – Ambank (M) Berhad for Cheong Kong Fitt	4,000,000	0.48
26.	Maybank Nominees (Tempatan) Sdn. Bhd. - Pledged Securities Account for Tan Chee Sing	4,000,000	0.48

ANALYSIS OF SHAREHOLDINGS AS AT 31 MARCH 2026

THIRTY (30) LARGEST SHAREHOLDERS (CONT'D)

No.	Name	Shareholdings	%
27.	AllianceGroup Nominees (Tempatan) Sdn. Bhd. - Pledged Securities Account for Teo Swee Phin	3,552,000	0.43
28.	AllianceGroup Nominees (Tempatan) Sdn. Bhd. - Pledged Securities Account for Dato' Ong Choo Meng	3,500,000	0.42
29.	AMSEC Nominees (Tempatan) Sdn. Bhd. - Pledged Securities Account – Ambank (M) Berhad for Ng Min Lin	3,100,000	0.37
30.	RHB Nominees (Tempatan) Sdn. Bhd. - Pledged Securities Account for Teo Swee Phin	3,000,000	0.36



ANALYSIS OF WARRANT HOLDINGS AS AT 31 MARCH 2026

Instrument Type : Warrants 2021/2026
 Total Number of Outstanding Warrants Issued : 190,549,697 Warrants
 Number of Warrant Holders : 822

DISTRIBUTION OF WARRANT HOLDINGS

Size of Holdings	No. of Warrant holders	%	No. of Warrants	%
1-99	392	47.69	15,714	0.01
100-1,000	185	22.51	75,173	0.04
1,001-10,000	159	19.34	530,920	0.28
10,001-100,000	68	8.27	2,606,790	1.37
100,001- 9,527,483 (*)	14	1.70	9,289,700	4.87
9,527,484 and above (**)	4	0.49	178,031,400	93.43
Total	822	100.00	190,549,697	100.00

Remark: * Less than 5% of issued shares
 ** 5% and above of issued shares

DIRECTORS' WARRANT HOLDINGS

No.	Name	Direct		Indirect	
		No. of shares	(%)	No. of shares	(%)
1.	Teo Lay Ban	98,501,128	51.69	-	-
2.	Teo Lay Lee	26,343,424	13.82	-	-
3.	Teo Siew May	26,343,424	13.82	-	-
4.	Sia Ah Piew	-	-	-	-
5.	Foo Yit Lan	-	-	-	-
6.	Roy Thean Chong Yew	-	-	-	-
7.	Annandan A/L Chandran	-	-	-	-
8.	Madeline Lee May Ming	-	-	-	-

THIRTY (30) LARGEST WARRANT HOLDERS

No.	Name	Warrant holdings	%
1.	Teo Lay Ban	98,501,128	51.69
2.	Wan Lei Chin	26,843,424	14.09
3.	Teo Lay Lee	26,343,424	13.82
4.	Teo Siew May	26,343,424	13.82
5.	CGS International Nominees Malaysia (Tempatan) Sdn. Bhd. - Pledged Securities Account for Chiau Beng Soo	3,050,000	1.60
6.	TA Nominees (Tempatan) Sdn. Bhd. - Pledged Securities Account for Chiau Beng Soo	2,500,000	1.31
7.	Chiau Haw Choon	1,010,000	0.53
8.	CGS International Nominees Malaysia (Tempatan) Sdn. Bhd. - Pledged Securities Account for Hau Han Kee	485,900	0.26

ANALYSIS OF WARRANT HOLDERS AS AT 31 MARCH 2026

THIRTY (30) LARGEST WARRANT HOLDERS (CONT'D)

No.	Name	Warrant holdings	%
9.	Bong Hon Liong	400,000	0.21
10.	Teh Kar Hoon	325,000	0.17
11.	Tan Ah Kieok	318,000	0.17
12.	Khor Le Hun	300,000	0.16
13.	Maybank Nominees (Tempatan) Sdn. Bhd. - Pledged Securities Account for Chiau Haw Choon	295,000	0.15
14.	Tung Mun Foong	132,600	0.07
15.	Ning Ping Choo	128,000	0.07
16.	Chiau Beng Teik	120,000	0.06
17.	Tan Wai Tiong	120,000	0.06
18.	Lim Siong Cheng	105,200	0.06
19.	Chin Yoke Meng	100,000	0.05
20.	Public Nominees Malaysia (Tempatan) Sdn. Bhd. - Pledged Securities Account for Cha Sun Lin	100,000	0.05
21.	Kenanga Nominees (Tempatan) Sdn. Bhd. – Rakuten Trade Sdn. Bhd. for Tan Yee Jun	91,100	0.05
22.	TA Nominees (Tempatan) Sdn. Bhd. - Pledged Securities Account for Chiau Haw Choon	88,500	0.05
23.	Oh Soon Tiew	83,900	0.04
24.	Siew Poo Hock	82,100	0.04
25.	Kenanga Nominees (Tempatan) Sdn. Bhd. – Rakuten Trade Sdn. Bhd. for Khor Le Hun	80,000	0.04
26.	Ong See Thing	80,000	0.04
27.	Cheng Lai Hock	79,600	0.04
28.	Chong Siew Fong	70,000	0.04
29.	Pocon Construction Sdn. Bhd.	60,000	0.03
30.	Kenanga Nominees (Tempatan) Sdn. Bhd. – Rakuten Trade Sdn. Bhd. for Tan Yee Yang	59,500	0.03



LIST OF MATERIAL PROPERTIES AS AT 31 DECEMBER 2025

No	Location	Description	Date of Acquisition	Land Area (Acres)	Tenure	Net Book Value (RM'000)
1	No. 8, 8-1, 8-2, Jalan Mutiara Melaka 2, Taman Mutiara Melaka, 75350 Batu Berendam, Melaka	3 storey shop office	04.09.2000	0.04	Leasehold of 99 years (expiring on 17 April 2093)	171
2	Wisma Teladan, Lot 13253, Jalan Batu Berendam, Batu Berendam, 75350 Melaka	Corporate office	14.08.2023	1.25	Freehold	28,089
3	C-39-03, 39th Floor, Pangsapuri Atlantis Kota Syahbandar, Jalan KSB 11A, 75200 Melaka	Penthouse	02.04.2018	Not Applicable	Leasehold of 99 years (expiring on 18 May 2105)	730
4	A-07-02, 7th Floor, Tower A, Residensi Mutiara Bali, Kota Syahbandar, Jalan KSB 11A, 75200 Melaka	Studio	22.08.2022	Not Applicable	Leasehold of 99 years (expiring on 18 May 2105)	156
5	Taman Bertam Heights in the Mukim of Tanjong Minyak, District of Melaka Tengah, State of Melaka	Land under development and held for development	18.09.2018	131.70	Freehold	98,579
6	Taman Impiana Kesang in the Mukim of Ayer Panas, District of Jasin, State of Melaka	Land under development and held for development	07.10.2020	60.78	Leasehold of 99 years (expiring on 21 March 2122)	42,344
7	Taman Desa Bertam in the Mukim of Tanjong Minyak, District of Melaka Tengah, State of Melaka	Land under development and held for development	22.02.2013, 21.05.2020, 09.04.2021 & 13.07.2022	58.04	Freehold	35,350
8	Taman Gapam Perdana in the Mukim of Ayer Panas, District of Jasin, State of Melaka	Land under development and held for development	06.09.2021	216.83	Leasehold of 99 years (expiring on 8 October 2123)	120,075
9	German Technology Park in the Mukim of Ayer Panas, District of Jasin, State of Melaka	Land under development and held for development	06.09.2021	121.72	Leasehold of 99 years (expiring on 15 August 2094)	68,969

LIST OF MATERIAL PROPERTIES AS AT 31 DECEMBER 2025

No	Location	Description	Date of Acquisition	Land Area (Acres)	Tenure	Net Book Value (RM'000)
10	Pusat Komersial Bukit Intan in the Mukim of Seremban, District of Seremban, State of Negeri Sembilan	Land under development	07.03.2023	17.30	Freehold	59,635
11	Geran 22813 Lot 1137, in the Mukim of Tanjong Minyak, District of Melaka Tengah, State of Melaka	Land held for development	06.12.2016	14.00	Freehold	7,219
12	GM 107 Lot 66, in the Mukim of Tanjong Minyak, District of Melaka Tengah, State of Melaka	Land held for development	22.02.2013	3.19	Freehold	669
13	PN 343297 Lot 57786, (formerly known as HS(D) 326731 PT 1284), in the Pekan Baru Sungai Besi, District of Petaling, State of Selangor	Land under development	09.01.2017	4.87	Leasehold (expiring on 28 May 2102)	114,536
14	GM 94 Lot 1141, in the Mukim of Tanjong Minyak, District of Melaka Tengah, State of Melaka	Land held for development	03.01.2023	6.68	Freehold	3,888
15	PN 56988 Lot 14560, H.S(D) 91541 PT 3126, HS(D) 91542 PT 3127, HS(D) 91543, PT 3128 and HS(D) 91544 PT 3129 in the Mukim of Telok Mas, District of Melaka Tengah, State of Melaka	Land under development	11.12.2020	18.60	Leasehold of 99 years (expiring on 11 June 2094)	27,337
16	Geran 4632 Lot 1673 and Geran 4633 Lot 1674, in the Mukim of Machap, District of Alor Gajah, State of Melaka	Land held for development	11.03.2021	22.03	Freehold	5,589



LIST OF MATERIAL PROPERTIES AS AT 31 DECEMBER 2025

No	Location	Description	Date of Acquisition	Land Area (Acres)	Tenure	Net Book Value (RM'000)
17	PN 72007 Lot 34104 (formerly known as HS(D) 23425 PT 19591), PN 72001 Lot 34105 (formerly known as HS(D) 23426 PT 19592), PN 72002 Lot 34106 (formerly known as HS(D) 23427 PT 19593), PN 72003 Lot 34107 (formerly as HS(D) 23428 PT 19588), PN 72004 Lot 34108 (formerly known as HS(D) 23429 PT 19589), PN 72005 Lot 34109 (formerly known as HS(D) 23430 PT 19590) and PM 2684 LOT 34119 (formerly known as HS(M) 5318, PT 19659), in the Mukim of Ayer Panas, District of Jasin, State of Melaka	Land under development	14.04.2021	503.96	Leasehold of 99 years (expiring 28 January 2091, 20 February 2077 & 06 July 2122)	128,722
18	HS(D) 39037 PT 16570, HS(D) 39038 PT 16571 and HS(D) 39039 PT 16582, in the Mukim of Durian Tunggal, District of Alor Gajah, State of Melaka	Land under development	11.11.2020	8.36	Freehold	15,322
19	GRN 272701, Lot 20317, in the Mukim of Piliin, District of Rembau, State of Negeri Sembilan	Land under development	27.03.2023 & 24.05.2023	86.02	Freehold	29,909
20	Taman Seri Tuah Permai in the Mukim of Durian Tunggal, District of Alor Gajah, State of Melaka	Completed development units	19.02.2016	0.73	Freehold	2,796

LIST OF MATERIAL PROPERTIES AS AT 31 DECEMBER 2025

No	Location	Description	Date of Acquisition	Land Area (Acres)	Tenure	Net Book Value (RM'000)
21	Taman Desa Bertam in the Mukim of Tanjong Minyak, District of Melaka Tengah, State of Melaka	Completed development units	24.05.2024 & 28.03.2025	1.20	Freehold	5,173
22	Taman Bertam Heights in the Mukim of Tanjong Minyak, District of Melaka Tengah, State of Melaka	Completed development units	04.11.2024	0.07	Freehold	601
23	Taman Impiana Kesang in the Mukim of Ayer Panas, District of Jasin, State of Melaka	Completed development units	24.01.2025, 13.10.2025 & 16.10.2025	0.95	Leasehold of 99 years (expiring on 21 March 2122)	7,156
24	Atlantis Residences in the Mukim of Kawasan Bandar XLIV, District of Melaka Tengah, State of Melaka	Completed development units	02.04.2018	Not applicable	Leasehold of 99 years (expiring on 18 May 2105)	14,237
25	Bali Residences in the Mukim of Kawasan Bandar XLIV, District of Melaka Tengah, State of Melaka	Completed development units	22.08.2022	Not applicable	Leasehold of 99 years (expiring on 18 May 2105)	2,538
26	Taman Bertam Putra in the Mukim of Tanjong Minyak, District of Melaka Tengah, State of Melaka	Completed development units	20.12.2018, 09.02.2024	1.50	Freehold	9,688
27	Taman Bertam Putra in the Mukim of Tanjong Minyak, District of Melaka Tengah, State of Melaka	Completed development units	30.07.2025	0.79	Leasehold of 99 years (expiring on 22 October 2122)	6,581



NOTICE OF SEVENTH (“7TH”) ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT the 7th Annual General Meeting (“AGM”) of the Company will be physically held at Room Straits 1,2,3, Level 13, DoubleTree by Hilton Melaka, Hatten City, Jalan Melaka Raya 23, Bandar Hilir Melaka, 75000 Melaka on Monday, 25 May 2026 at 10:00 a.m., or any adjournment thereof, for the transaction of the following business:-

AGENDA

Ordinary Business

1. To receive the Audited Financial Statements of the Company and of the Group for the financial year ended 31 December 2025 together with the Reports of the Directors and Auditors thereon. *(Refer to Note 2)*
2. To approve the payment of Directors’ fees payable to the Non-Executive Directors of the Group of up to RM516,000/- for the financial year ending 31 December 2027. *Ordinary Resolution 1*
3. To re-elect Mr. Roy Thean Chong Yew, a Director who retires in accordance with Clause 21.7 of the Company’s Constitution, and being eligible, has offered himself for re-election. *Ordinary Resolution 2*
4. To re-elect Mr. Teo Lay Lee, a Director who retires in accordance with Clause 21.7 of the Company’s Constitution, and being eligible, has offered himself for re-election. *Ordinary Resolution 3*
5. To re-elect Ms. Foo Yit Lan, a Director who retires in accordance with Clause 21.7 of the Company’s Constitution, and being eligible, has offered herself for re-election. *Ordinary Resolution 4*
6. To re-appoint Messrs. RSM Malaysia PLT as Auditors of the Company until the conclusion of the next AGM and to authorise the Board of Directors of the Company to determine their remuneration. *Ordinary Resolution 5*

Special Business

To consider and, if thought fit, with or without any modification, to pass the following resolutions as Ordinary and Special Resolutions:-

7. **PAYMENT OF BENEFITS PAYABLE TO THE DIRECTORS UNDER SECTION 230(1)(b) OF THE COMPANIES ACT 2016** *Ordinary Resolution 6*

“THAT the benefits payable to the Directors of the Company up to an amount of RM54,000/- for the period from 26 May 2026 until the next Annual General Meeting of the Company to be held in year 2027 pursuant to Section 230(1)(b) of the Companies Act, 2016 (“the Act”), be and is hereby approved for payment.”
8. **AUTHORITY TO ISSUE SHARES PURSUANT TO THE COMPANIES ACT 2016** *Ordinary Resolution 7*

“THAT pursuant to Sections 75 and 76 of the Companies Act, 2016 (“the Act”), Main Market Listing Requirements of Bursa Malaysia Securities Berhad, the Constitution of the Company, and subject to the approvals of the relevant governmental/regulatory authorities, the Directors be and are hereby empowered to issue and allot shares in the Company, at any time to such persons 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 issued pursuant to this Resolution does not exceed ten per centum (10%) of the total number of issued shares of the Company for the time being and the Directors be and are also empowered to obtain approval for the listing of and quotation for the additional shares so issued on Bursa Malaysia Securities Berhad (“Bursa Securities”);

NOTICE OF SEVENTH ("7TH") ANNUAL GENERAL MEETING

8. **AUTHORITY TO ISSUE SHARES PURSUANT TO THE COMPANIES ACT 2016 (CONT'D)**

*Ordinary
Resolution 7
(Cont'd)*

THAT pursuant to Section 85 of the Act to be read together with Clause 16.6 of the Constitution of the Company, approval be and is hereby given to waive the statutory pre-emptive rights of the shareholders of the Company to be offered new shares of the Company ranking equally to the existing issued shares arising from any issuance of new shares in the Company pursuant to Sections 75 and 76 of the Act;

AND THAT such authority shall commence immediately upon the passing of this Resolution and continue to be in force until the conclusion of the next Annual General Meeting of the Company."

9. **PROPOSED RENEWAL OF AUTHORITY FOR SHARE BUY-BACK OF UP TO TEN PER CENTUM (10%) OF THE TOTAL ISSUED SHARE CAPITAL OF THE COMPANY**

*Ordinary
Resolution 8*

"THAT subject to the provisions of the Act, the provisions of the Constitution of the Company, the Main Market Listing Requirements of Bursa Securities and all other relevant authority, approval be and is hereby given for the Company, to purchase such number of ordinary shares in the Company 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 of the Company may in their absolute discretion deem fit and expedient in the interest of the Company ("**Proposed Renewal of Authority for Share Buy-Back**"), provided that:-

- (i) the aggregate number of ordinary shares in the Company which may be purchased and/or held by the Company at any point of time pursuant to the Proposed Renewal of Share Buy-Back Authority Mandate shall not exceed ten per centum (10%) of the total number of issued ordinary shares of the Company for the time being;
- (ii) the maximum amount of funds to be allocated by the Company for the purpose of purchasing its own ordinary shares shall not exceed the Company's retained profits at the time of purchase(s);
- (iii) the authority conferred by this resolution will be effective immediately upon the passing of this ordinary resolution and will continue to be in force until:-
 - (a) the conclusion of the next AGM of the Company, at which time the said authority will lapse unless by an ordinary resolution passed at the general meeting of the Company, the authority is renewed, either unconditionally or subject to conditions;
 - (b) the expiration of the period within which the next AGM of the Company is required by law to be held; or
 - (c) revoked or varied by an ordinary resolution passed by the shareholders in general meeting, whichever is the earlier;



NOTICE OF SEVENTH ("7TH") ANNUAL GENERAL MEETING

9. **PROPOSED RENEWAL OF AUTHORITY FOR SHARE BUY-BACK OF UP TO TEN PER CENTUM (10%) OF THE TOTAL ISSUED SHARE CAPITAL OF THE COMPANY (CONT'D)**

*Ordinary
Resolution 8
(Cont'd)*

- (iv) the shares so purchased by the Company pursuant to the Proposed Renewal of Share Buy-Back Authority Mandate be retained as treasury shares which may be distributed as dividends and/or resold on Bursa Securities and/or cancelled and/or transfer for the purposes of or under an employees' share scheme and/or be dealt with by the Directors of the Company in the manners allowed by the Act;

AND THAT authority be and is hereby given to the Directors of the Company to take all such steps as are necessary to implement, finalise and give full effect to the aforesaid with full powers to assent to any condition, modification, variation and/or amendment, if any, as may be imposed by the relevant authorities and to do all such acts and things as the Directors of the Company may deem fit and expedient in the interests of the Company."

10. To transact any other business that may be transacted at an AGM, due notice of which shall have been given in accordance with the Act and the Constitution of the Company.

BY ORDER OF THE BOARD

(duly signed)

**CHUA SIEW CHUAN (SSM PC No. 201908002648 & MAICSA 0777689)
CHENG CHIA PING (SSM PC No. 202008000730 & MAICSA 1032514)
NG LEE YING (SSM PC No. 202408000327 & MAICSA 7081879)**

Company Secretaries

Kuala Lumpur
30 April 2026

Notes:

(1) **Information for Shareholders/Proxies**

- a. This is a **physical** AGM, where shareholders and/or proxies are invited to attend **in-person** only.
- b. For the purpose of determining a member who shall be entitled to attend this 7th AGM, the Company shall be requesting Bursa Malaysia Depository Sdn. Bhd. in accordance with Clause 18.7(b) of the Constitution of the Company and Section 34(1) of Securities Industry (Central Depositories) Act, 1991 ("**SICDA**") to issue a General Meeting Record of Depositors as at 18 May 2026. Only a depositor whose name appears on the Record of Depositors as at 18 May 2026 shall be entitled to attend the said meeting or appoint proxies to attend and/or speak and/or vote on his/her behalf.
- c. A member entitled to attend and vote at the AGM is entitled to appoint a proxy/proxies to attend, participate, speak and vote instead of him. A proxy may but need not be a member of the Company and a Member may appoint any person to be his proxy. There shall be no restriction as to the qualification of the proxy. A proxy appointed to attend and vote at a meeting of the Company shall have the same rights as the member to speak and vote at the meeting.

NOTICE OF SEVENTH (“7TH”) ANNUAL GENERAL MEETING

Notes (Cont’d):

(1) Information for Shareholders/Proxies (Cont’d)

- d. A member may, subject to Notes (e) and (f) below, appoint more than one (1) proxy to attend and vote at the AGM, to the extent permitted by the Act, SICDA, Main Market Listing Requirements of Bursa Malaysia Securities Berhad (“**Bursa Securities**”) (“**Main LR**”) and the Rules of Central Depository. Where a member appoints two (2) proxies to attend and vote at the AGM, such appointment shall be invalid unless the member specifies the proportion of his/her shareholding to be represented by each proxy.
- e. Where a member of the Company is an authorised nominee as defined under the SICDA, it may appoint at least one (1) proxy but not more than two (2) proxies in respect of each securities account it holds to which shares in the Company standing to the credit of the said account.
- f. Where a member of the Company is an exempt authorised nominee which holds security(ies) standing to the credit of a Securities Account and includes Securities in a Securities Account that is in suspense, in the Company for multiple beneficial owners in one (1) securities account (“**omnibus account**”) as defined under SICDA which is exempted from compliance with the provisions of subsection 25A(1) of SICDA, there is no limit to the number of proxies which the exempt authorised nominee may appoint in respect of each omnibus account it holds.
- g. The instrument appointing a proxy shall be in writing under the hand of the appointer or his attorney duly authorised in writing or, in the event the appointer is a corporation, the instrument appointing a proxy must be either under the appointer’s Common Seal or under the hand of an officer or attorney duly authorised.
- h. Publication of Notice of Annual General Meeting on corporate website

Pursuant to Section 320(2) of the Companies Act 2016, a copy of this Notice together with the proxy form are available at the corporate website of Teladan Group Berhad at <https://teladan.my/investor-relations/investor-centre-reports/>.

i. Appointment of Proxy(ies)

A member may obtain the proxy form for the 7th AGM vide Note (h) above or the Annual Report (hard copy) or Annual Report (electronic copy) released to Bursa Malaysia Securities Berhad.

The instrument appointing a proxy and the power of attorney or other authority (if any), under which it is signed or a notarially certified copy thereof, must be submitted vide either one of the belowmentioned modes with the Company’s Share Registrar, not less than forty-eight (48) hours before the time appointed for holding the AGM or adjournment thereof (i.e. **on or before Saturday, 23 May 2026 at 10:00 a.m.**):-

Mode of Submission	Designated Address
(i) Hard copy form	Securities Services (Holdings) Sdn. Bhd. Level 7, Menara Milenium, Jalan Damanlela, Pusat Bandar Damansara, Damansara Heights, 50490 Kuala Lumpur, Wilayah Persekutuan
(ii) Electronic form	(A) Vide Facsimile (Fax Number: 03 - 2094 9940 / 03 - 2095 0292); or (B) Vide designated electronic mail (Email) Address of Share Registrar: info@sshbs.com.my

A member may call dedicated support line of Securities Services (Holdings) Sdn. Bhd. at 03-2084 9169 for assistance/clarification on item 1(i)(ii) above.



NOTICE OF SEVENTH (“7TH”) ANNUAL GENERAL MEETING

Explanatory Notes:-

(2) Audited Financial Statements for the financial year ended 31 December 2025

This Agenda item is meant for discussion only, as the provision of Section 340(1)(a) of the Act does not require a formal approval for the Audited Financial Statements from the shareholders. Therefore, this Agenda item is not put forward for voting.

(3) Payment of Directors’ Fees – Ordinary Resolution 1

The proposed Directors’ Fees payable to the Directors of the Company for the financial year ending 31 December 2027 shall be up to a total of RM516,000/- only, comprised the following rates based on responsibilities assumed:

-

Office	Amount (RM) per annum
Board Chairman	90,000/-
Non-Executive Directors	282,000/-
Subsidiary Board	144,000/-
	516,000/-

The Ordinary Resolution 1, if approved, will authorise the payment of Directors’ Fees pursuant to Clause 21.4 of the Constitution of the Company.

(4) Re-election of Directors – Ordinary Resolutions 2, 3 & 4

In determining the eligibility of the Directors to stand for re-election at the forthcoming 7th AGM, the Nominating Committee (“NC”), guided by the Directors’ Assessment Policy and Directors’ Fit and Proper Policy has considered the criteria as stated in the said Policies as well as the requirements of Main LR of Bursa Securities and recommended the re-election of the following Directors pursuant to Clause 21.7 of the Constitution of the Company: -

- (i) Mr. Roy Thean Chong Yew;
 - (ii) Mr. Teo Lay Lee; and
 - (iii) Ms. Foo Yit Lan.
- (collectively, the “Retiring Directors”)

The Board, vide the NC, has conducted a separate assessment and being satisfied with the performance/ contribution/ fit and properness of the Retiring Directors, the Board would like to recommend the same be tabled to the shareholders for approval at the forthcoming 7th AGM of the Company under Ordinary Resolutions 2, 3 and 4 respectively. The fit and proper as well as evaluation criteria adopted as well as the process of assessment by the Board have been duly elaborated in the Corporate Governance Overview Statement of the Annual Report 2025 of the Company.

None of the Retiring Directors have any conflict of interest or potential conflict of interest, including interest in any competing business, that they have with the Company or its subsidiaries.

All the Retiring Directors have consented to their re-election, and have abstained from deliberation and voting in relation to their individual re-election at the NC and Board of Directors’ meetings, respectively.

NOTICE OF SEVENTH (“7TH”) ANNUAL GENERAL MEETING

Explanatory Notes (Cont’d):-

(5) Re-appointment of Auditors – Ordinary Resolution 5

The Audit Committee (“AC”) have assessed the suitability, objectivity and independence of the External Auditors and recommended the re-appointment of Messrs. RSM Malaysia PLT as External Auditors of the Company for the financial year ending 31 December 2026. The Board has in turn reviewed the recommendation of the AC and recommended the same be tabled to the shareholders for approval at the forthcoming 7th AGM of the Company under Ordinary Resolution 5. The evaluation criteria adopted as well as the process of assessment by the AC and Board, respectively, have been duly elaborated in the Corporate Governance Overview Statement of the Annual Report 2025 of the Company.

(6) Payment of Benefits Payable to Directors – Ordinary Resolution 6

The benefits payable to the Non-Executive Directors (“NEDs”) comprise the meeting allowances, medical and insurance coverage. The total amount of benefits payable to the NEDs is estimated to be up to RM54,000/-, based on the number of scheduled Board/ Board Committee Meetings as well as the number of NEDs involved/ covered.

(7) Authority to Issue Shares pursuant to the Companies Act, 2016 - Ordinary Resolution 7

The Company wishes to obtain the mandate on the authority to issue shares of not more than 10% of the total issued shares capital for the time being pursuant to the Act at the 7th AGM of the Company (hereinafter referred to as the “General Mandate”).

The Company had obtained the mandate from its members at the last AGM held on 27 May 2025 (“Previous Mandate”). As at the date of this Notice, no new shares in the Company were issued pursuant to the Previous Mandate and accordingly, no proceeds were raised.

The purpose to seek the General Mandate is to enable the Directors of the Company to issue and allot shares at any time to such persons in their absolute discretion without convening a general meeting as it would be both time and cost-consuming to organise a general meeting. This authority unless revoked or varied by the Company in general meeting, will expire at the next AGM. The proceeds raised from the General Mandate 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 future investment project(s), working capital and/or acquisitions.

(8) Proposed Renewal of Authority for Share Buy-Back - Ordinary Resolution 8

The proposed adoption of the Ordinary Resolution 8 is to renew the authority granted by the shareholders of the Company at the 6th AGM held on 27 May 2025. The proposed renewal will allow the Directors to exercise the power of the Company to purchase not more than 10% of the total number of issued shares of the Company any time within the time period stipulated in the Main LR.

Please refer to the Statement to Shareholders dated 30 April 2026 for further information.

TELADAN

TELADAN GROUP BERHAD

[Registration No. 201901004975 (1314302-V)]
(Incorporated in Malaysia)

PROXY FORM

No. of Shares held	CDS Account No.
Contact Number	Email Address

*I/We, _____ *Company No./NRIC No./
(full name as per NRIC/Passport/Certificate of Incorporation in capital letters)

Passport No. _____ of _____
(full address)

being a member of **TELADAN GROUP BERHAD** hereby appoint _____
(full name as per NRIC/Passport in capital letters)

*NRIC No./Passport No. _____ *and/or failing *him/her _____
(full name as per NRIC/Passport in capital letters)

*NRIC No./Passport No. _____ or failing him/her, **the Chairman of the Meeting** as *my/our proxy, to vote for *me/us on *my/our behalf at the 7th Annual General Meeting ("**AGM**") of the Company to be physically held at Room Straits 1,2,3, Level 13, DoubleTree by Hilton Melaka, Hatten City, Jalan Melaka Raya 23, Bandar Hilir Melaka, 75000 Melaka on **Monday, 25 May 2026** at 10.00 a.m. or at any adjournment thereof on the following resolutions referred to in the Notice of 7th AGM.

*My/Our proxy(ies) *is/are to vote as indicated below:-

Ordinary Business		For	Against
Ordinary Resolution 1	To approve the payment of Directors' fees up to RM516,000/- for the financial year ending 31 December 2027		
Ordinary Resolution 2	To re-elect Mr. Roy Thean Chong Yew, as a Director of the Company		
Ordinary Resolution 3	To re-elect Mr. Teo Lay Lee, as a Director of the Company		
Ordinary Resolution 4	To re-elect Ms. Foo Yit Lan, as a Director of the Company		
Ordinary Resolution 5	To re-appoint Messrs. RSM Malaysia PLT as Auditors of the Company		
Special Business			
Ordinary Resolution 6	To approve the benefits payable to the Directors of up to RM54,000/- for the period from 26 May 2026 until the next AGM to be held in year 2027.		
Ordinary Resolution 7	Authority to issue shares pursuant to the Companies Act 2016		
Ordinary Resolution 8	Proposed Renewal of Authority for Share Buy-Back of up to Ten Per Centum (10%) of the Total Issued Share Capital of the Company		

(Please indicate with an "X" in the appropriate box against each Resolution how you wish your vote to be cast. If no specific direction as to how the proxy shall vote, the proxy shall vote as he/she thinks fit or, at his/her discretion, abstain from voting.)

Signed this _____ day of _____, 2026

*Signature(s)/Common Seal of Member(s)

* Delete if not applicable

For appointment of two (2) proxies, percentage of shareholdings to be represented by the proxies		
	No. of shares	Percentage
Proxy 1		
Proxy 2		
Total		100%

NOTES:

- This is a **physical** AGM, where shareholders and/or proxies are invited to attend in-person only.
- For the purpose of determining a member who shall be entitled to attend this 7th AGM, the Company shall be requesting Bursa Malaysia Depository Sdn. Bhd. in accordance with Clause 18.7(b) of the Constitution of the Company and Section 34(1) of Securities Industry (Central Depositories) Act, 1991 ("**SICDA**") to issue a General Meeting Record of Depositors as at 18 May 2026. Only a depositor whose name appears on the Record of Depositors as at 18 May 2026 shall be entitled to attend the said meeting or appoint proxies to attend and/or speak and/or vote on his/her behalf.
- A member entitled to attend and vote at the Annual General Meeting is entitled to appoint a proxy/proxies to attend, speak and vote instead of him. A proxy may but need not be a member of the Company and a Member may appoint any person to be his proxy. There shall be no restriction as to the qualification of the proxy. A proxy appointed to attend and vote at a meeting of the Company shall have the same rights as the member to speak and vote at the meeting.
- A member may, subject to Notes (e) and (f) below, appoint more than one (1) proxy to attend and vote at the AGM, to the extent permitted by the Act, SICDA, Main Market Listing Requirements of Bursa Malaysia Securities Berhad and the Rules of Central Depository. Where a member appoints two (2) proxies to attend and vote at the Annual General Meeting, such appointment shall be invalid unless the member specifies the proportion of his/her shareholding to be represented by each proxy.
- Where a member of the Company is an authorised nominee as defined under the SICDA, it may appoint at least one (1) proxy but not more than two (2) proxies in respect of each securities account it holds to which shares in the Company standing to the credit of the said account.

f. Where a member of the Company is an exempt authorised nominee which holds security(ies) standing to the credit of a Securities Account and includes Securities in a Securities Account that is in suspense, in the Company for multiple beneficial owners in one (1) securities account ("**omnibus account**") as defined under SICDA which is exempted from compliance with the provisions of subsection 25A(1) of SICDA, there is no limit to the number of proxies which the exempt authorised nominee may appoint in respect of each omnibus account it holds.

g. The instrument appointing a proxy shall be in writing under the hand of the appointer or his attorney duly authorised in writing or, in the event the appointer is a corporation, the instrument appointing a proxy must be either under the appointer's Common Seal or under the hand of an officer or attorney duly authorised.

h. Publication of Notice of AGM on corporate website

Pursuant to Section 320(2) of the Companies Act, 2016, a copy of the Notice of 7th AGM, together with the proxy form are available at the corporate website of Teladan Group Berhad at <https://teladan.my/investor-relations/investor-centre-reports/>.

i. Appointment of Proxy(ies)

A member may obtain the proxy form for the 7th AGM vide Note (h) above or the Annual Report (hard copy) or Annual Report (electronic copy) released to Bursa Malaysia Securities Berhad.

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Mode of Submission	Designated Address
Hard copy form	Securities Services (Holdings) Sdn. Bhd. Level 7, Menara Milenium, Jalan Damanlela, Pusat Bandar Damansara, Damansara Heights, 50490 Kuala Lumpur, Wilayah Persekutuan
Electronic form	(A) Vide Facsimile (Fax Number: 03 - 2094 9940 / 03 - 2095 0292); or (B) Vide designated electronic mail (Email) Address of Share Registrar: info@sshb.com.my

A member may call dedicated support line of Securities Services (Holdings) Sdn. Bhd. at 03-2084 9169 for assistance/clarification on item 1(i)(ii) above.

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The Share Registrars
SECURITIES SERVICES (HOLDINGS) SDN. BHD
 REGISTRATION NO.: 197701005827 (36869-T)
 Level 7, Menara Milenium, Jalan Damanlela, Pusat Bandar Damansara,
 Damansara Heights, 50490 Kuala Lumpur, Wilayah Persekutuan

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TELADAN GROUP BERHAD

201901004975 (1314302-V)

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